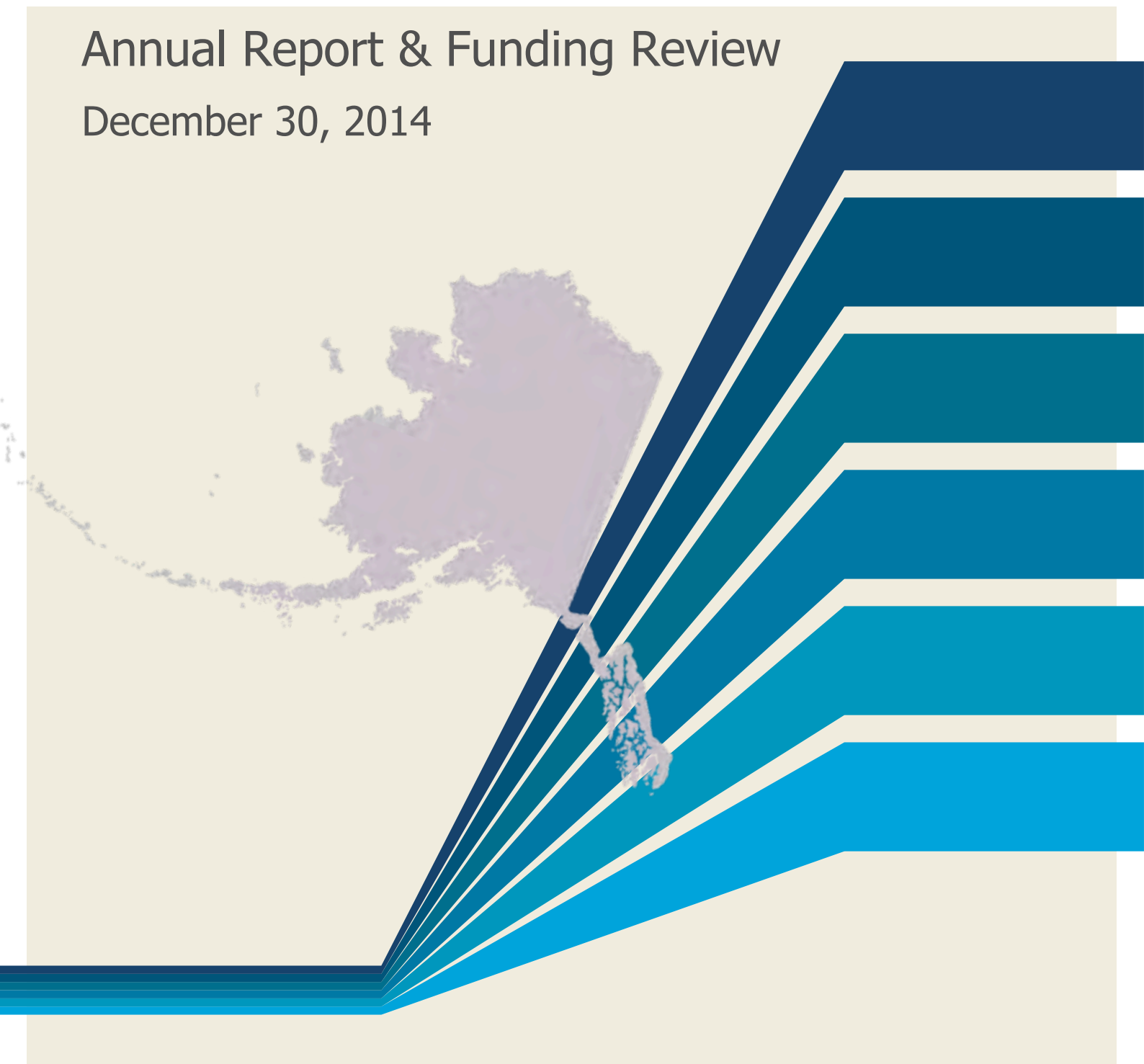


ALASKA COMMUNITY AND PUBLIC TRANSPORTATION ADVISORY BOARD

Annual Report & Funding Review

December 30, 2014



Contents

Executive Summary

1.0: Purpose

2.0: 2014 Activities and Deliverables

3.0: 2014 Annual Funding Review

4.0: Recommendations

5.0: 2015 and Beyond

Attachment A: C&PTAB Strategic Plan 2015

Attachment B: C&PTAB Letter of Recommendation on Alternative Fuels

Attachment C: C&PTAB Letter of Recommendation on Long Range Transportation Plan

Attachment D: C&PTAB Medical Transportation Report

Attachment E: C&PTAB White Paper on Accessible Taxicabs



Executive Summary

Alaska Community and Public Transportation Advisory Board Annual Report and Funding Review

The Alaska Community and Public Transportation Advisory Board (C&PTAB) was established in law in 2012 (AS 44.42) to plan, recommend, and pursue “coordinated community and public transportation” in the State of Alaska. Specifically, the law

- Helps seniors and people with disabilities have a voice in state transportation planning;
- Requires the intentional development and implementation of strategies to coordinate and leverage state resources; and
- Provides an ongoing venue to address cross-agency and cross-system issues and pursue opportunities to address them.

The C&PTAB is comprised of 13 individuals representing the perspectives of senior citizens, people with low income, people with disabilities, municipalities, state agencies who fund transportation services or provide transportation benefits, tribes, non-profit organizations, and the public-at-large.

The C&PTAB provides the State of Alaska the venue to leverage the state’s collective transportation resources in a manner resulting in the most effective and efficient community and public transportation system the state can achieve.

In 2014, the C&PTAB produced a number of deliverables, some required by legislation and some the result of strategic initiatives undertaken by the group as outcomes of its Strategic Plan. One important deliverable, generated so stakeholders statewide can share the same understanding of what coordination looks like, is the following definition:

"Coordination is an ongoing strategy of committed funders, providers and stakeholders working together to improve both local and statewide transportation options through planning, shared resources, and consolidation of programs."

Recommendations

Alternative Fuels Analysis and Recommendation (AS.44.42.095.f)

Legislation tasked C&PTAB with analyzing and making a recommendation about the use of alternative fuels in community and public transportation vehicle fleets. The Department of Transportation and Public Facilities (DOT&PF) contracted with a consultant to research, interview stakeholders, and conduct an energy supply analysis of transit fleets in five Alaska communities. Alternative Fuels-Public Fleets Phase 1 Technical Memo, May 2014, reports that due to issues of fuel availability, limited fueling infrastructure, and the high cost of fleet conversion (vehicles, parts, maintenance facilities, and training), conditions are not economically conducive in the near term to use alternative fuels for transit fleets in any of the communities explored.

The C&PTAB concurs with the consultant's suggestion to not pursue Alternative Fuel fleets at this time; however, the C&PTAB notes that should some substantial change occur in the future specific to availability or regulation of fuels, the state may want to reevaluate.

Action: none

Long Range Transportation Plan Recommendation (AS.44.42.085)

Legislation also tasked C&PTAB with providing input to the State's Long Range Transportation Plan (LRTP). DOT&PF involved C&PTAB regularly in the study and development of the LRTP, and the C&PTAB made the following recommendations:

- The LRTP acknowledge community and public transportation as an essential part of Alaska's transportation vision, as it provides efficient mobility options for all populations to get to and from work, services, shopping, family, and more.
- The LRTP should emphasize transportation system characteristics and service requirements needed to meet the mobility demands of Alaska's senior population, which will be at least four times larger in 2035 than it is in 2010, and the needs of other people with disabilities and special circumstances.
- The LRTP should reflect the need to accommodate accessibility options on existing or planned transit routes, specifically including safe pullouts for buses, waiting areas, and pedestrian access.
- Consolidation of various transportation supports across state agencies and providers in a given area, with committed investment by local government, should be considered as a strategy to secure the most efficiently organized and administered service, and warrants mentioning in the LRTP.
- LRTP should recognize coordination and/or the C&PTAB as a key factor to leveraging funding and services in Alaska's future.

Action: DOT&PF

Establish a standard methodology for calculating the actual cost of transportation services

The C&PTAB found different providers, funding sources, and state agencies calculate the cost of transportation in different ways. The practice challenges efforts for data reporting, performance measurements, and identifying the actual cost of meeting the state's transportation needs.

C&PTAB, in concert with DOT&PF, deployed a more comprehensive tool for DOT&PF grantees applying for Federal Transit Administration (FTA) funding to use in the current FTA grant application cycle. Preliminary results are anticipated for early 2015. The challenge will be expanding the use of the tool across state agencies and among tribes to secure an accurate, collective calculation.

Action: C&PTAB and Interagency Working Group



Medical Transportation Report and Recommendations

In response to stakeholder input collected over the years, the C&PTAB initiated work to help address the unique challenges and high cost of medical transportation across Alaska. Ultimately, C&PTAB narrowed its focus to non-emergency medical transportation (NEMT). A subcommittee of the C&PTAB studied numerous states' models and issues, engaged in discussions with the Department of Health and Social Services (DHSS) Health Care Services Transportation Work Group members, solicited information from stakeholders, and generated a report presenting its findings, recommendations and rationale. With Governor Walker's commitment to Medicaid Expansion, this work becomes even more relevant.

The following three recommendations are intended for DHSS, with whom the C&PTAB has already communicated, delivered its report, and anticipates further coordination.

Recommendation 1:

The C&PTAB recommends the state explore revising regulation 7 AAC130.205 subsection (b)2 related to NEMT and transit and community transportation providers. This regulation requires a transportation provider to bill Medicaid Medical first, even if the passenger is also a Medicaid Waiver recipient. Revised, the regulation could enable the provider to charge the lower Medicaid Waiver rate for the medical trip for the qualified individual.

Recommendation 2:

The C&PTAB recommends the state of Alaska consider contracting with a broker, potentially through the DOT&PF, to manage Alaska's NEMT. In the design of that brokerage, C&PTAB recommends the model reflect the following three key principles:

1. Consumers are provided the most appropriate ride for their situation;
2. Public transportation is included in the equation as the most cost effective option in most cases; and
3. Coordination amongst agencies, programs and services remain a priority to ensure Alaska's limited public funds are most efficiently and effectively used on behalf of the consumers who need them.

Recommendation 3:

C&PTAB recommends the structure be implemented in a manner that maintains the lowest possible administrative costs by brokering services "in-house", potentially through the DOT&PF, who would contract with local entities, specifically including municipal and other transit providers, to broker services.

Action: DHSS

Increase accessible taxicab resources and opportunities in Alaska

The C&PTAB has been studying barriers to coordination and access to services, hearing from providers, advocates, stakeholders, consumers, and others in communities throughout Alaska and annually from those who participate at the Alaska Community Transit Conference. For four years prior, its predecessor group—the Governor’s Coordinated Transportation Task Force (CTTF)—practiced similar outreach and heard similar need. From the first CTTF report in 2010 to the present day, the availability of accessible taxicab resources has been an issue warranting a meaningful solution.

In 2014, the C&PTAB established a performance measure to have “two Alaska municipalities (in addition to Anchorage) seriously consider adopting a taxicab ordinance by June 2015.” Work to that end has produced a dialogue among stakeholders and a number of options available to communities to increase accessible taxis have emerged.

C&PTAB has generated a draft white paper and questionnaire to support this discussion with and solicit input from local governments and other stakeholders, including taxicab owners and companies. Maintained in draft form, C&PTAB produces new iterations of the white paper as input is secured and information provides clarification and opportunity.

As of the printing of this annual report, C&PTAB presents the following five options for consideration in generating accessible taxicab service in Alaskan communities. As the discussion continues, it is possible more options and/or variations of options will be developed for consideration.

1. Leverage local partnerships among non-profits, taxi companies, and local governments to maximize resources, provide match, and use the right venue to provide the most appropriate service to the individual, thereby increasing the availability of accessible services. For best results, a sustainable match source (local governments are ideal) is needed. Exploring opportunities available through FTA Section 5310 funding may open the door to unconsidered possibilities.
2. To incentivize such partnerships, retain a percentage of FTA 5310 rural transit funding and dedicate it to accessible taxi-cab purchases by grantees. Coordination in the service area with local stakeholders and partners and an appropriate match source is integral to the purchase.
3. Establish local transportation advisory boards as an effective way to study, understand, and pursue the most effective transportation options in a community or service area. Local boards can study issues and other local dynamics, and develop solutions and proposals, as appropriate to their local context.
4. Develop local ordinances requiring accessible taxicabs. Such ordinances are an effective way for municipalities to ensure the services and standards they seek for their communities are available and of appropriate quality. Many such ordinances exist, most embedded in codes with purposes that far exceed that of accessible taxicabs only.
5. Develop a minimum taxicab standard for state-owned facilities such as airports and ferries. Major destinations for taxicab businesses are state-owned and provide a direct opportunity to impact accessible resources. Accessibility standards or regulations for taxicab businesses at state-owned facilities can include a provision for permitted use of designated pickup and drop-off zones. The state can provide leadership in providing accessibility at its facilities by establishing such a standard in state law.

Action: C&PTAB

Continue to make important and strategic legislative investments in community transportation

Community and public transportation in Alaska are critically important for the quality of life of all Alaskans, and particularly the elderly, people with disabilities, those who are economically challenged, business owners, and those who want to economize resources and protect the environment.

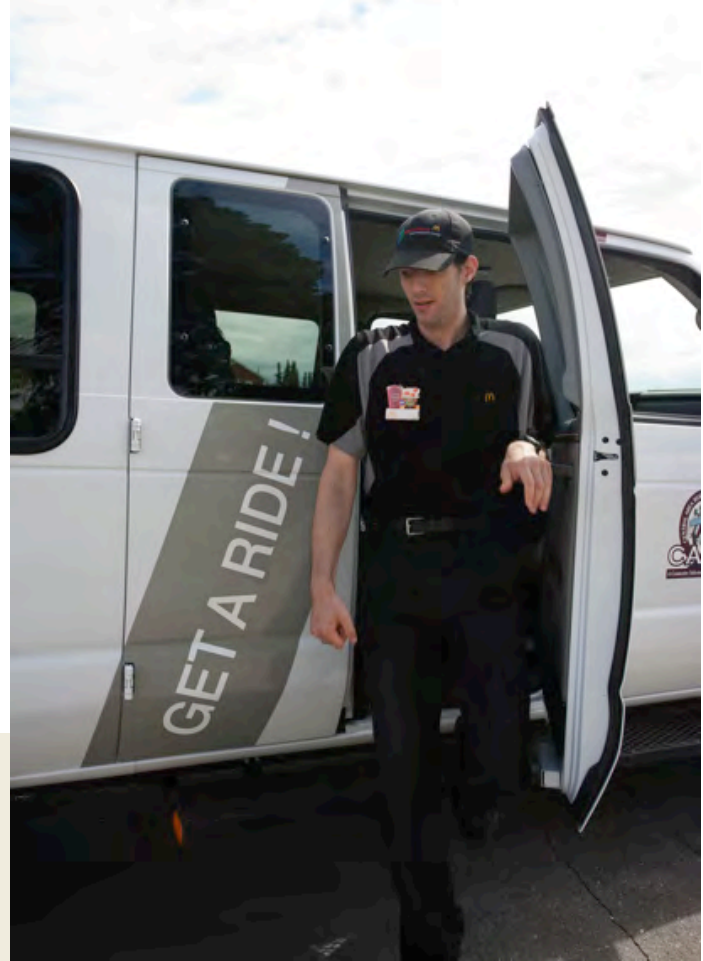
C&PTAB maintains that prudent solutions to transportation issues integrate existing Alaska resources and services. C&PTAB efforts to quantify funding across agencies and programs, identify barriers to coordination, and pursue opportunities to address them is intentionally intended to leverage Alaska's *existing* resources.

However, DOT&PF officials confirm capital funding monies from the FTA are inadequate to meet the needs of the state. In order to keep the Alaska fleet of transit vehicles in a state of good repair—delivering safe and reliable transit service throughout the state—it is estimated transit systems statewide will need an estimated \$41,035,000 between now and 2019 to replace aging vehicles. This does not include facilities, equipment, or expansion vehicles. FTA currently provides \$1.9 million annually in capital formula funding for the entire state of Alaska. The difference in anticipated need versus available resources indicates the need for greater state support for transportation assets and infrastructure.

To this end, C&PTAB recommends the administration do the following:

- Continue to support and potentially increase transit funding through the “State Match Program”. By supporting community transportation through this funding—making increased match available for federal funds—Alaska will be able to draw down more federal transit funding and provide increased accessibility to community and public transportation.
- Consider the addition of a capital line to the budget designated to help keep the existing fleet in a state of good repair. There have been legislative efforts in recent years to develop a dedicated transportation trust fund to help meet on-going needs; we encourage the Governor and State Legislature to reconsider these efforts.

Action: Governor's Office and State Legislature



1.0: Purpose

Alaska Community and Public Transportation Advisory Board Annual Report and Funding Review

The Alaska Community and Public Transportation Advisory Board (C&PTAB), was established in law in 2012 (AS 44.42) to plan, recommend, and pursue "coordinated community and public transportation" in the State of Alaska. The law culminates years of efforts by stakeholders and leadership throughout the State who recognize the need for and value of an optimized, coordinated public transportation system. This history includes two generations of a Governor's Coordinated Transportation Task Force (CTTF) between 2009 and 2012. The law provides the authority and the responsibility to help make coordination a reality on behalf of the State and in concert with the Governor and the State Legislature. Specifically, the law:

- Helps seniors and people with disabilities have a voice in state transportation planning;
- Requires the intentional development and implementation of strategies to coordinate and leverage state resources; and

- Provides an ongoing venue to address cross-agency and cross-system issues and pursue opportunities to address them.

The C&PTAB, now starting its third year, provides the State of Alaska the venue to leverage the state's collective transportation resources in a manner resulting in the most effective and efficient community and public transportation system possible in Alaska. By bringing a diverse mix of state agency and tribal representatives, user advocates, transportation providers and public-at-large perspectives together, the State is able to collectively study and address issues and opportunities, and also generate and implement strategies, to help achieve the coordinated system.

In addition to generating and implementing its Strategic Plan (included as Attachment A), the law outlines the following additional responsibilities:



- Analyze community and public transportation services and assess public transportation needs;
- Generate recommendations for improved agency coordination (including recommending means for the removal of barriers that prevent the coordination of services) and combining of services to achieve cost savings in funding;
- Conduct an annual review of available funding, including state, federal, and local governments and private entities that administer or support services, using that information to develop recommendations and potential legislative and other changes to improve the effective use of funding;
- Analyze the use of alternative fuels (including compressed natural gas, liquefied natural gas, propane, and biodiesel in community and public transportation vehicle fleets) and make recommendations for the use of alternative fuel vehicles where cost effective;
- Consult with the Department of Transportation and Public Facilities (DOT&PF)

on the development of its Long Range Transportation Plan (LRTP); and

- Produce an annual report for the Commissioner of DOT&PF, the Governor, and the Chairs of the Senate and House Finance Committee.

C&PTAB operational requirements, including terms, participation requirements, removal processes, election of Chair and Vice-Chair, quorum requirements, and more as identified under AS 39.20.180, frame the group's functionality and are reflected in the C&PTAB's existing Operational Agreements. The group has exercised its ability to establish volunteer regional or local advisory committees to provide recommendations to inform C&PTAB efforts, specifically through the convening of an Interagency Working Group (IWG) to address state-system specific issues.



Definition of Coordination

Coordination is an ongoing strategy of committed funders, providers, and stakeholders working together to improve both local and statewide transportation options through planning, shared resources, and consolidation of programs.

2.0: 2014 Activities and Deliverables

2014 Activities

Since its last annual report (December 2013), the C&PTAB has conducted the following activities:

Face-to-Face Meetings:

- February 6, 2014–Anchorage
- May 6, 2014–Sitka
- June 25, 2014–Talkeetna
- September 29, 2014–Anchorage

Public Stakeholder Forums:

- May 5, 2014–Sitka
- June 24, 2014–Talkeetna

Alaska Community Transit Conference: September 29 - October 2, 2014

C&PTAB also held eight teleconferences during the course of the year. Table 1 presents the current slate of C&PTAB members.

Perspective	Member
Tribes	Julianne Baltar
Low Income Individuals	Jennifer Beckmann
Designee, State Co-Chairs of the Denali Commission	Lawrence Blood
Senior Citizens	Patricia Branson
Non-Profit Organizations	Doug Bridges
People with Disabilities	Heidi Frost
Designee, Board of Trustees of the Alaska Mental Health Trust Authority	Lucas Lind
Municipalities	Glenn Miller
Public at Large	Sharon Scott
Public at Large	James Starzec
Designee, Commissioner of the Department of Transportation and Public Facilities	Jeffrey Ottesen
Designee, Commissioner of Health and Social Services	Duane Mayes
Designee, Commissioner of Labor and Workforce Development	Cheryl Walsh

Table 1: C&PTAB Members

As a subcommittee of the C&PTAB, the **Interagency Working Group** will work to address state-system specific barriers and opportunities. Membership includes representatives from the following entities:

Department of Health and Social Services:

- Division of Senior and Disabilities Services
- Division of Health Care Services
- Governor’s Council on Disabilities and Special Education

Department of Commerce, Community and Economic Development

- Division of Community and Regional Affairs
- Division of Economic Development

Department of Labor and Workforce Development

- Business Partnership Division
- Employment Securities Division

Department of Revenue

- Alaska Housing Finance Corporation
- Alaska Mental Health Trust Authority

Department of Education and Early Development

- Office of the Commissioner/Education Support Services

Department of Administration

- Division of Finance

Department of Transportation and Public Facilities

- Division of Program Development

Table 2: IWG Members

2014 Deliverables

In 2014, the C&PTAB produced deliverables required by legislation and resulting from the group’s own strategic initiatives as outlined in its Strategic Plan.

Legislated Deliverables

- A Strategic Plan identifying the C&PTAB initiatives, schedule and measures, recommendations and deliverables
- Recommendations regarding the use of Alternative Fuels
- Input to the DOT&PF Long Range Transportation Plan
- This Annual Report and Funding Review

Strategic Deliverables

- A shared definition of coordination, which the group has done in coordination with stakeholders statewide
- Performance measures for tracking results of C&PTAB work across the next 12 months
- Input to DHSS regarding proposed rules on Medicaid Waiver Transportation
- Recommendations supporting efforts to secure the most effective and efficient medical transportation system in Alaska

- A White Paper investigating opportunities to increase accessibility to individuals and families through an increase in accessible taxicabs
- An Interagency Working Group (IWG) to focus on addressing state system specific barriers and opportunities identified by the C&TPAB

C&PTAB convened the IWG to address state system specific barriers and opportunities to secure more effective coordination of transportation resources. Comprised of entities in Table 2 (above) IWG will research, analyze, and recommend the following to the C&PTAB:

1. Ways to improve transportation communication between departments and divisions within state government;
2. Ways to hone state-wide knowledge on the legal and economic environments surrounding transportation throughout the state of Alaska and the challenges these environments pose to improving state-wide coordination; and
3. Ways to synthesize procedures used to collect, store, and report information on transportation.

In 2014 the IWG met three times: April 8, June 26, and September 22. Facilitated by the DHSS representative to the C&PTAB, the IWG will meet bi-monthly in 2015.

3.0: 2014 Annual Funding Review

Federal and State Transportation Funding Outlook

In December 2014, federal transportation funding continues to be governed by the 2012 authorization act Moving Ahead for Progress in the Twenty-first Century (MAP-21), which was extended to May 2015 in an act that also moved additional revenues into the Highway Trust Fund (HTF) to maintain its short-term solvency.

Graph 1 (next page) is a Federal Highways Administration (FHWA) product depicting the 2014 actuals and 2015 projections for the Highway Trust Fund. Note the shortfall anticipated in July 2015.

MAP-21 places an emphasis on maintaining infrastructure (as opposed to growing it), as well as safety and performance. MAP-21's focus on asset management has prioritized system preservation of National Highway System (NHS) routes and bridges over lesser traveled and off-system routes. For Alaska communities, this means less federal funds are available for improving the roads the buses drive on. Since there are already more than 10 years of community projects slated for construction given current funding, no new project nominations through the Community Transportation Program are being entertained.

On the highways side, the State is adjusting to a 7% reduction in funding from the FY-12

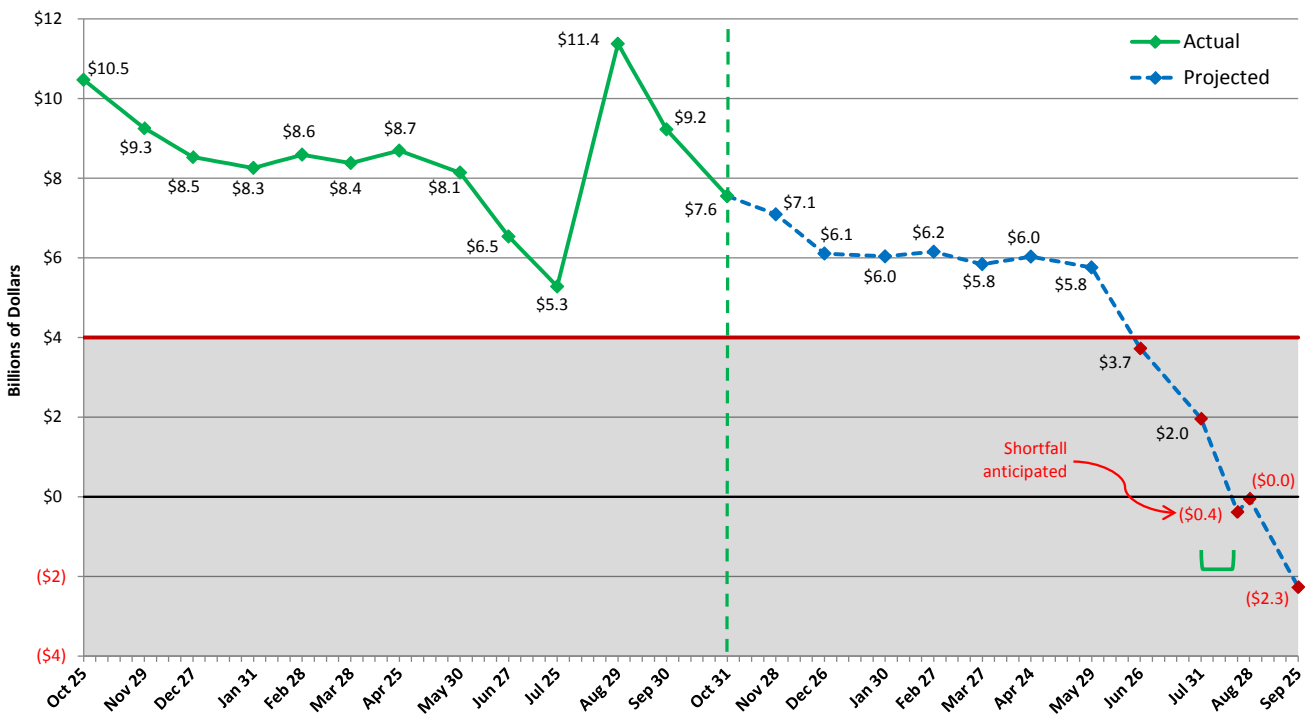
SAFETEA-LU level. Federal transportation program funding levels are not expected to grow in the near future, but there appears to be wide recognition that our nation's transportation infrastructure needs are being inadequately addressed, and new means of raising higher revenues cannot be postponed much longer. Whether or not that awareness generates resolve to bring revenues up to a level that meets present outlays, or supports increased transportation spending, remains to be seen.

On the transit side, MAP-21 funding levels are similar to those under SAFETEA-LU, except that bus and bus replacement funds (a discretionary program under SAFETEA-LU) were greatly reduced under MAP-21, making it harder for transit operators to replace older buses. From the State's perspective, the lack of growth in formula funds means no annual excess available to support new transit startups or to expand service at a time when demand for transit service in most communities is growing.

The Denali Commission received no direct funding in MAP-21, meaning they could only manage a transportation program by receiving transportation funds from another agency. State funding of all programs is increasingly at risk due to the dramatic drop in the price of oil and resulting lower

FY 2014 & FY 2015 Projected Estimates for End-of-Month Cash Balances (as of 10/31/14) ^{1/ 2/ 3/ 4/}

Highway Account of the Highway Trust Fund (Includes FHWA, FMCSA & NHTSA)



1/ Graph reflects actual data through 10/31/14 and end-of-month projections for FY 2015.

2/ Total receipt and outlay projections are based on FY 2015 Mid-Session Review assumptions. Projected monthly receipt and outlay rates are based on historic averages.

3/ Range of anticipated shortfall: Green brackets denote the estimated window of when the anticipated shortfall will occur.

4/ The shaded area represents when the Highway Account balance drops below \$4 billion, at which point cash management procedures may become necessary.

Source: FHWA

Graph 1: FHWA Projected Estimates

revenues available to the state budget. The likely impacts are cuts to state programs, which could possibly include state funding for matching federal highway and transit funds. Given global economics are driving down the price of oil, Alaska is faced with a long-term prospect of inadequate revenues.

While the state seeks to diversify its economic base and develop new sources of mineral and energy wealth long-term, near-term impacts of lower energy prices and reduced revenues will likely dampen the state's investment climate, slowing the hoped-for development of alternative sources of revenue.

As mentioned in the C&PTAB's previous annual report, the less-than-encouraging financial environment facing Alaska is one that leads to greater efforts to coordinate and consolidate services in a given area, so that the loss of service due to cuts in funding can be minimized. Given that this fiscal reality can be effectively

communicated to administrators of programs and services at the local level, it should enhance efforts of the C&PTAB to create efficiencies in the spending of transportation funds.

Finally, Alaska DOT&PF officials confirm capital funding monies from the FTA are inadequate to meet the needs of the state. In order to keep the Alaska fleet of transit vehicles in a state of good repair—delivering safe and reliable transit service throughout the state—it is estimated that transit systems statewide will need an estimated \$41,035,000 between now and 2019 to replace aging vehicles. This does not include facilities, equipment or expansion vehicles. FTA currently provides \$1.9 million annually in capital formula funding for the entire state of Alaska. The difference in anticipated need versus available resources points out the need for greater state support for transportation assets and infrastructure.

State Funding Review

Among the C&PTAB's responsibilities are the two following tasks:

1. Provide an annual review of available funding, including state, federal, and local governments and private entities that administer or support services, using that information to develop recommendations and potential legislative and other changes to improve the effective use of funding; and
2. Generate recommendations for improved agency coordination (including recommending means for the removal of barriers that prevent the coordination of services) and combining of services to achieve cost savings in funding and delivery.

Securing meaningful funding data across state agencies, however, remains a barrier to reporting about funding in a meaningfully quantitative way and, because of that challenge, generating more specific recommendations for improved agency coordination.

While the C&PTAB identifies barriers and generates recommendations to remove them, it is through addressing the data issue which will provide the state the venue for securing and ensuring the most effective use of the collective funding.

Data Barriers	
Statewide Transportation Expenditures	The ability to gather and compare data across state agencies continues to be a barrier to generating an accurate report and accounting. Different agencies budget and track transportation expenditures in different ways; it takes a hand-walked effort by each entity involved (except DOT&PF) to collect the funding information C&PTAB presents in this report. Other entities with equally relevant information, either because they are not on the C&PTAB or, as in the tribes' case, are managed by many separate entities, makes securing that collective information significantly more challenging, if even possible.
Specific Quantity of Riders and Rides	The state shares a similar problem tracking the numbers of riders and rides across systems. There is no electronic system in any agency to effectively provide such tracking, and even the DOT&PF's tracking is dependent on grantees' reports. Furthermore, FTA guidelines require different duration of tracking for different funded programs. Labor, Medicaid, and the variety of programs within DHSS track different kinds of data in different kinds of ways. None of the data talks well to the other, very much complicating the state's ability for accurate collective and comprehensive reporting.

The table below provides what funding information the C&PTAB is able to collect about state, federal, and local government agencies and private entities that administer or support community and public transportation services.

Annual Funding Review FOR DISCUSSION PURPOSES ONLY

Agencies Report by State Fiscal Year	Transportation funding primarily intended for people with special needs	Other transportation funding that pose coordination opportunities	Populations Served							
			Public	Other inc/ Children	Veterans	Homeless	Low Income	Disabilities	Elderly	Mental Health
Alaska Mental Health Trust (2013)	\$ 1,050,000									
DOT&PF - FTA 5310, Elderly and Persons with Disabilities (2013)	695,074									
DOT&PF - FTA 5317, New Freedom Program (2013)	34,788*									
DOT&PF - FTA 5316, Job Access and Reverse Commute (2013)	No new funding									
DOT&PF - FTA 5311, Rural Transit Program & ARRA (2013)	5,657,381									
DOT&PF - Fares (non human service) (2013)	4,694,319									
Local Match for FTA Funds	5,075,463									
Contracts	535,455									
State Funds	1,136,948									
Other Federal	263,254									
Other	51,282									
FTA - 5307 Urbanized Area Formula Program (Anchorage and Fairbanks) (2014)	5,236,468									
Labor - Vocational Technical Center* (2013)	13,406									
Labor - Business Partnerships/Youth* (2013)	9,315									
Labor - Workforce Investment Act, Adult (2013)	36,016									
Labor - Workforce Investment Act, Dislocated Worker (2013)	43,726									
Labor - State Training Employment (2013)	10,032									
Labor - Mature Alaskans Skills Training (2013)	38,080									
Labor - Vocational Rehabilitation Client Services (2013)	241,731									
Labor - Workmen's Compensation (2013)	0									
Labor - Disability Determination Services (2013)	0									
DHSS - Behavioral Health (2013)	1,455,066									
DHSS - Senior and Disabilities (2013)	7,524,994									
DHSS - Children's Services (2013)	2,600,000									
DHSS - Alaska Public Assistance Program (2013)	969,676									
DHSS - Pioneer Homes (2012)	126,159									
DHSS - Juvenile Justice (2013)	350,000									
DHSS - Medicaid (non-waiver) (2013)	2,161,273									
Department of Education and Early Development		X								
Indian Health Services		X								
Indian Reservation Roads		X								
Federal Tribal Transit (2013)	1,095,148									
Veterans Affairs		X								
DCCED (Inter-Island Fair and 50% share of Medicaid Waiver)	75,000									
Denali Commission	0									
Total (potentially duplicated) funding:	\$ 41,180,054									

*No new funding in 2014

Table 3: State Agency Annual Funding

Data gathered for this report is intended to feature 2014 expenditures for community and public transportation. As the table indicates, no entity was able to report 2014 numbers; most entities are able to report 2013, and some only 2012, illuminating the challenge agencies have in being able to effectively coordinate reporting and provide consistent, collective data.

One of the strategies C&PTAB has employed to address the data barrier is the convening of the IWG, where individuals within state agencies will study this challenge specifically and identify opportunities to address it. The proposal this group generates will be key to generating a platform for meaningful reporting. It is still just a step, and the C&PTAB must continue to explore ways to incorporate funding available to all state, federal, and local governments and private entities who fund in some way community and public transportation.

The C&PTAB will make those recommendations when they are appropriately developed. What is clear, however, is that any recommendation offered by the C&PTAB will require a statewide response and implementation.

4.0: Recommendations

In 2014, the C&PTAB made the following recommendations in response to issues identified in C&PTAB legislation and resulting from the group's own strategic initiatives.

Alternative Fuels Analysis and Recommendation (AS.44.42.095.f)

In its July 8, 2014 letter to the Governor regarding its analysis of the use of alternative fuels in community and public vehicle fleets (Attachment B), the C&PTAB reports:

- During 2013-2014, DOT&PF contracted with a consultant to produce the Alternative Fuels, Public Fleets Phase 1 Technical Memo, May 2014. The purpose of the project was to research, interview stakeholders, and conduct an energy supply analysis of community fleets in five Alaska areas to determine the viability of pursuing alternative fuel fleets in Alaska.
- The report (<http://www.dot.state.ak.us/stwdplng/cptab/resources.html>) found that due to issues of fuel availability, limited fueling infrastructure and high cost of fleet conversion (vehicles, parts, maintenance facilities, and training), conditions are not economically conducive in the near-term to the use of alternative fuels for transit fleets in any of the communities explored.

The C&PTAB concurs with the consultant's suggestion to not pursue Alternative Fuel fleets at this time; however, the C&PTAB noted that should some substantial change occur in the future specific to availability or regulation of fuels, the state may want to reevaluate.

Long Range Transportation Plan (LRTP) Recommendation (AS.44.42.085)

In its July 8, 2014 letter to DOT&PF Commissioner Kemp regarding the (Attachment C), the C&PTAB recommends the following:

- The LRTP should acknowledge that community and public transportation is an essential part of Alaska's transportation vision, as the service provides efficient mobility options for all populations to get to and from work, services, shopping, family, and more.
- As LRTP data indicates, the mobility demands of Alaska's growing senior population will be at least four times larger in 2035 than it is in 2010. In light of this trend and the needs of other people with disabilities and special circumstances, the LRTP should emphasize transportation system characteristics and service requirements needed to meet the mobility demands of this growing segment of Alaska's population.
- To that end, the LRTP should reflect the need to accommodate accessibility options on existing or planned transit routes, specifically including safe pullouts for buses, waiting areas, and pedestrian access.
- Coordination of services and systems across all entities associated with community and public transportation is essential to achieving an effective and efficient system providing the best use of Alaska's collective resources. Consolidation of various transportation supports across state agencies and providers in a given area, with committed investment by local



government, should be considered as a strategy to secure the most efficiently organized and administered service, and warrants mentioning in the LRTP.

Finally, given the 'siloes' distribution of federal funding streams for transportation services to separate state agencies and the challenges associated with coordinating those funds, the LRTP should recognize coordination and/or the C&PTAB as a key factor in ensuring funding is leveraged and services coordinated in Alaska's future.

Establish a standard methodology for calculating the actual cost of transportation services

The C&PTAB is required to communicate a number of different types of data to the Governor and the State Legislature in a way that quantifies needs, funding, and cost. Through the course of working with community and public transportation providers across the state, and in keeping with its own efforts to accurately calculate the cost of transportation services, the C&PTAB learned that different human service agencies calculate costs differently. For example, some may, and some may not, include administrative expenses as part of their calculation; some may, and some may not, include maintenance services as part of their calculation.

As a result of C&PTAB work and discussion and feedback at the September 30, 2014 Alaska Community Transit Conference in Anchorage, a spreadsheet developed by the National Center for Senior Transportation, which is an expanded version of the spreadsheet DOT&PF previously

included in the grant application process, has been incorporated in the current DOT&PF FTA grant application cycle. Preliminary data is anticipated in early 2015.

With this initiative, the C&PTAB met its performance measure to have 12 providers using the instrument by June 2015. The challenge for 2015 will be expanding the use of the tool across state agencies and among tribes to secure an accurate, collective calculation.

Implement recommendations outlined in the C&TPAB Medical Transportation Report

Through regular public forums the C&PTAB consistently heard about the challenges of transportation to special populations across the state, the high cost of transportation given Alaska's unique terrain, and the variety of transportation modes needed to accommodate that geography. In its Strategic Plan of 2012, C&PTAB generated an initiative to address the unique challenges and high cost of medical transportation across Alaska.

Ultimately, C&PTAB narrowed its focus to non-emergency medical transportation (NEMT). A C&PTAB subcommittee studied numerous states' models and issues, engaged in discussions with the Department of Health and Social Services (DHSS) Health Care Services Transportation Work Group members, solicited information from stakeholders, and generated several recommendations for the state's consideration.

The C&PTAB has already communicated with and delivered its report and recommendations (Attachment D) to the DHSS. Given the state's intent to expand Medicaid and the potential 40,000 additional individuals eligible for NEMT services, the C&PTAB's report has even more relevance. C&PTAB looks forward to working with DHSS further in response to the following recommendations.

□ **Consider revising regulations regarding Medicaid Medical vs. Medicaid Waiver Billing Practices**

One option for leveraging resources and generating efficiencies is reconsidering how transportation costs are billed and paid.

The purpose of the Medicaid Waiver is to support the needs of recipients in their daily life, to help keep them in their community of choice and living independently outside of institutional care. Accessing medical services fits within this purpose. Where an individual has a Medicaid Waiver plan of care that includes transportation units, providers, passengers, and medical facilities find it more efficient to bill rides directly to waiver services given less cumbersome requirements.

In the Mat Su Valley, for example, a Medicaid Waiver trip to Anchorage is a fixed rate of \$27. A Medicaid Medical trip is compensated on a mileage basis and the trip results in a higher compensation for the same trip to Anchorage. To avoid the additional Medicaid Medical requirements, such as securing a doctor's authorization for the trip and potential delays in compensation, a provider may prefer the lower compensated rate of \$27 to the higher mileage-based rate.

The lower rate, potentially more efficient for the provider, will reduce state costs. The structure provides the state the opportunity to reserve those resources for individuals who do not have an alternative funding source.

Therefore, C&PTAB recommends the state consider revising regulations related to NEMT and transit and community transportation providers. Regulation (7 AAC130.205 subsection (b)2 requires a transportation provider bill Medicaid Medical first, even if the passenger is also a Medicaid Waiver recipient. Regulations could be revised to enable the provider to charge the lower Medicaid Wavier

rate for the medical trip for the qualified individual.

□ **Consider contracting with an in-house broker to manage Non-Emergency Medical Transportation**

Medicaid provides for transportation services for its participants; each state has the ability to tailor their provision of those services based on state-specific needs and priorities.

There is nothing simple about medical transportation and NEMT delivery. Variations of geography, population density, individual need, population growth, and accessibility of services, combined with limited resources and the underlying principle to find each individual the most appropriate, efficient ride, compound the challenge.

In response to outside research and consultation, and in coordination with DHSS and its Health Care Services Transportation Work Group, the C&PTAB explored whether some form of transportation intermediary or broker for NEMT would be advantageous to Alaska and the clients it serves. The following is a list of C&PTAB findings respective to brokerages:

- Brokerages can be statewide (Idaho), or regional (Vermont and Washington).
- Twenty-nine states contract with transportation brokers to manage NEMT in order to control or reduce costs while still aiming to provide quality of service and appropriateness of service mode.
- Medicaid requirements are to pick the most cost effective service that is at the same time appropriate for the Medicaid beneficiaries' physical and medical condition.
- Other states contract with brokers to conduct a number of functions including administration and coordinating services, such as scheduling and eligibility screening.
- Brokers may include for-profit and non-profit organizations, or public governmental agencies. Brokerages can generally be classified into three categories: in-house managers, transportation brokerages, and managed-care models.

The C&PTAB maintains any solutions offered to manage costs while maintaining quality service should include existing coordinated transit



systems in the management and provision of NEMT services. Care should be taken to ensure that any system selected or built does not weaken existing structures already integral to the community infrastructure.

Therefore, the C&PTAB recommends the state of Alaska consider contracting with a broker to manage Alaska's NEMT. In the design of that brokerage, C&PTAB recommends the model reflect three key principles:

1. Consumers be provided the most appropriate ride for their situation;
2. Public transportation be included in the equation as the most cost effective option in most cases; and
3. Coordination amongst agencies, programs and services remain a priority to ensure Alaska's limited public funds are most efficiently and effectively used on behalf of the consumers who need them.

Furthermore, C&PTAB recommends the structure be implemented in a manner that maintains the lowest possible administrative costs by brokering services 'in-house,' potentially through the DOT&PF, who would contract with local entities, specifically including municipal and other transit providers, to broker services.

Increase accessible taxicab resources and opportunities in Alaska

The C&PTAB, and its predecessor group, the Governor's Coordinated Transportation Task Force (CTTF), has been hearing from providers, advocates, stakeholders, consumers, and others in communities throughout Alaska and annually at the Alaska Community Transit Conference. Collectively, the group has been studying barriers to coordination and access to service issues since 2009.

In the CTTF Recommendations Report of 2010, the increased availability of accessible taxicab resources was identified as an opportunity providing meaningful solution to community transportation. In February 2012, the CTTF Final Report provided a needs assessment quantifying the need for additional types of service and resources, specifically identifying accessible taxis as a resource to help meet existing and growing need.

In 2014, the C&PTAB established a Performance Measure to have "two Alaska municipalities (in addition to Anchorage) seriously consider adopting a taxicab ordinance by June 2015." C&PTAB folds into its study the recent adoption of Chapter 11.10 Municipal Code in the City of Anchorage, where some attempt is made to address the issue of training for staff and taxicab accessibility for persons with disabilities and others that need or want to use the service. C&PTAB is also watching impacts and transportation opportunities that may be afforded people in Anchorage with the presence of Uber.

The C&PTAB has generated a white paper (Attachment E) and questionnaire to support this discussion with, and solicit input from, local government and other leadership as well as taxicab owners and companies. The white paper maintains its draft form, and new iterations are generated as input is secured and information provides clarification and opportunity.

As of the printing of this annual report, C&PTAB presents the following five options for consideration in generating accessible taxicab service in Alaskan communities. As the discussion continues, it is possible more options and/or variations of options may be developed.

1. Leverage local partnerships among non-profits, taxi companies, and local governments

A non-profit agency located in Juneau, Southeast Alaska Independent Living (SAIL), has partnered with a local taxi company to find a solution that allows for the taxi company to provide accessible taxi service for Juneau residents. As a non-profit human services agency, SAIL applies for and receives FTA Section 5310 funding designated for the enhanced mobility of seniors and individuals with disabilities. SAIL uses this funding to purchase accessible vehicles, which it then leases to a local taxi company. As part of the lease agreement with SAIL, the taxi company pays for a portion of the local match required for the federal grant and agrees to operate the accessible vehicles as needed on a 24 hour, 7 days a week basis. This partnership allows seniors and individuals with disabilities unrestricted access to transportation. The partnership has successfully operated for several years. Similarly, local governments can partner with non-profits that would like to establish similar projects in other communities by providing a portion, or the full 20%, required match for the FTA Section 5310 funding. SAIL has conducted a similar project in Ketchikan.

By leveraging existing resources, providing match, and using the right venue to provide the right service, communities can increase the availability of accessible services. For best results, a sustainable match source (local governments are ideal) is needed. Exploring opportunities available through FTA Section 5310 funding may open the door to unconsidered possibilities.

2. Retain a percentage of 5310 rural transit funding and dedicate to accessible taxi-cab purchases

To incentivize such partnerships in the pursuit of accessible taxicabs, another option is for the DOT&PF to retain a certain percentage of 5310 rural transit funding and dedicate that to an applicant's purchase of accessible taxicabs. Again, coordination in the service area with local stakeholders and partners and an appropriate match source is integral to the purchase.

3. Establish local transportation advisory boards

Establish local transportation advisory boards to effectively study, understand, and pursue the most meaningful transportation options in a community or service area. Local boards can study issues and other local dynamics, and develop solutions and proposals as appropriate to their local context.

4. Develop local ordinances requiring accessible taxicabs

Many cities throughout the country and Anchorage specifically have developed taxicab ordinances with minimum accessibility requirements. Such ordinances are an effective way for municipalities to ensure the services and standards they seek for their communities are available and of appropriate quality. Many such ordinances exist, most embedded in codes with purposes that far exceed that of accessible taxicabs only.

5. Develop a minimum taxicab standard for state-owned facilities such as airports and ferries

The CTFP Recommendations Report of 2010 points out state-owned airports and ferries are major destinations for taxicab businesses, providing a direct opportunity to impact accessible resources. Accessibility standards or regulations for taxicab businesses at state-owned facilities can include a provision for permitted use of designated pickup and drop off zones. The state can provide leadership in ensuring accessibility at its facilities by establishing such a standard in state law.



Continue to make important and strategic legislative investments in community transportation

Community and public transportation in Alaska are critically important for the quality of life of all Alaskans, and particularly the elderly, people with disabilities, those who are economically challenged, business owners, and those who want to economize resources and protect the environment.

Community and public transportation providers generally get their funding from multiple funding sources (FTA sections 5311, 5309 and 5339, Older Americans Act Title III and VI, Home and Community Based Waivers (Medicaid), fares, grants, and local funding). Providers are typically embedded in the communities they serve. Provider personnel are locals with local knowledge and respect for their diverse populations.

DOT&PF has worked closely with these entities for years and has been an excellent partner in the development of systems and practices that have gained national recognition. This work and development should be the foundation for transportation funding in the future. The infrastructure for coordination, accountability, cost containment, safe practice, new technologies, and training are in place. Prudent solutions to transportation issues integrate existing Alaska resources and services.

However, with the estimated \$41,035,000 transit systems statewide will need between now and 2019 to replace aging vehicles (not including facilities, equipment or expansion vehicles) FTA capital funding monies will clearly fall short. FTA currently provides \$1.9 million annually in capital formula funding for the entire state of Alaska. The difference in anticipated need versus available resources points out the need for greater state support for transportation assets and infrastructure.

To this end, C&PTAB recommends the administration:

1. Continue to support and potentially increase transit funding through the “State Match Program”. By supporting community transportation through this funding—making increased match available for federal funds—Alaska will be able to draw down more federal transit funding and provide increased accessibility to community and public transportation.
2. Consider the addition of a capital line to the budget to begin to keep the existing fleet in a state of good repair. There have been legislative efforts in recent years to develop a dedicated transportation trust fund to help meet on-going needs; we encourage re-consideration of these efforts by the Governor and State Legislature.

5.0: 2015 and Beyond

Table 4 (below) indicates parties responsible for acting on and effecting the recommendations presented in this report. Having achieved several of its strategic objectives, and being well poised to meet specific performance measures identified in the existing C&PTAB Strategic Plan, the C&PTAB will update its plan for 2016 to continue to build the effective coordination of the state's collective resources.

Over the next year, it is anticipated the C&PTAB's IWG will have an increasingly important role, addressing issues associated with reporting funding data, generating shared requirements for coordination to secure grant funding, coordinating internal management of transportation funding, and securing C&PTAB review of all state agency policy, rules, and regulations around community transportation.

The C&PTAB itself will continue to:

- Expand the network of funders who participate in a consistent and shared methodology for calculating transportation costs;
- Work with local governments, taxi companies, and other stakeholders and partners on opportunities to increase the availability of accessible taxicabs, and anticipate reporting some measurable improvements to that end in its 2015 Report;
- Work with the medical transportation community on identifying opportunities to provide for efficient and effective transportation for the tens of thousands additional individuals for whom the benefits will be available through Medicaid expansion.

The C&PTAB will also continue seeking the needs, experience, opportunities and input of users, potential users, providers, and funders of the community and public transportation system to guide its work and make its outcomes most relevant and meaningful.

Recommendation	Action Entity
Alternative Fuels	No Action
Long Range Transportation Plan	DOT&PF
Establishing a standardized methodology for calculating the true cost of transportation	C&PTAB
Medical Transportation recommendations regarding billing practices and establishing a brokerage	DHSS
Increasing the availability of accessible taxicab resources	C&PTAB
Continue to support and potentially increase transit funding through the "State Match Program"	Governor and State Legislature
Consider the addition of a capital line to the budget to be able to keep the existing fleet in a state of good repair	Governor and State Legislature

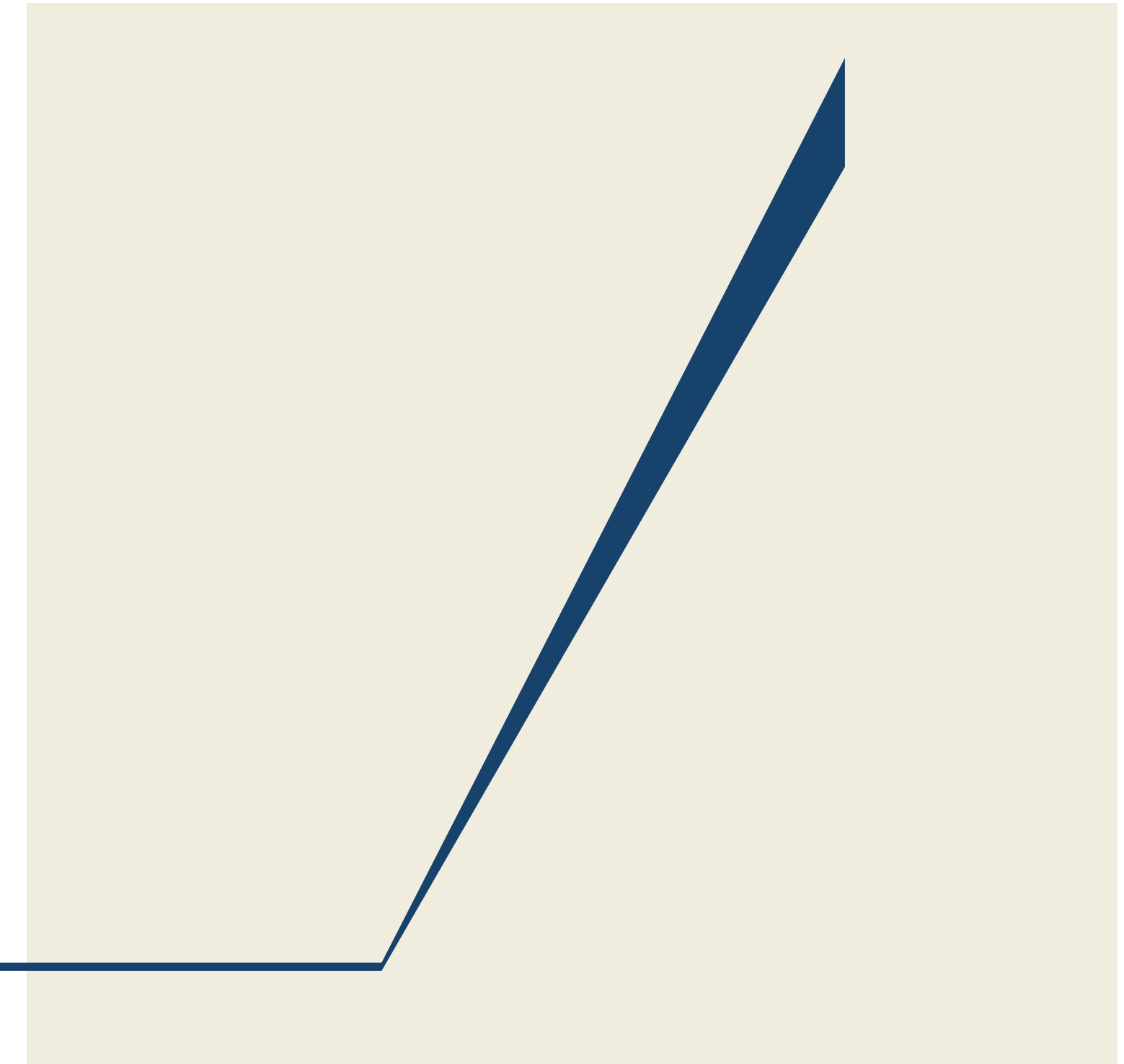
Table 4: Recommendations and Action Entity



907-465-8958
eric.taylor@alaska.gov
dot.alaska.gov/cptab

ATTACHMENT A

C&PTAB Strategic Plan



Alaska Strategic Plan for Statewide Coordinated Community and Public Transportation: 2015 (draft July 7, 2014)

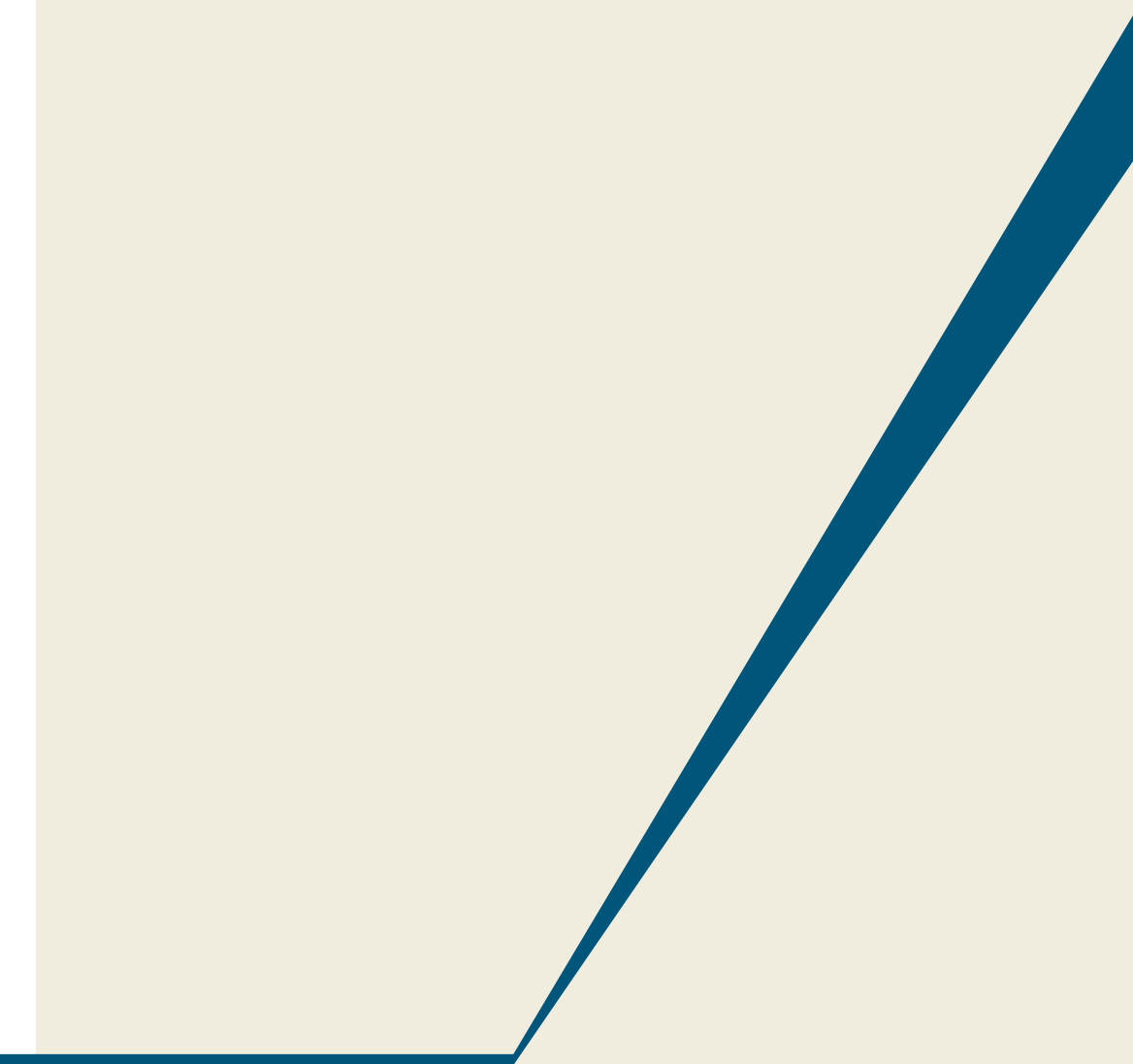
Coordination is an ongoing strategy of committed funders, providers and stakeholders working together to improve both local and statewide transportation options through planning, shared resources, and consolidation of programs.

Goals: 2015	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	TEAM MEMBERS
1. Produce 2014 deliverables														
a	Deliver recommendation on Medicaid Waiver Transportation (C&PTAB Strategic Plan 2014)	X												CPTAB
b	Deliver medical transportation report (C&PTAB Strategic Plan 2014)		draft	X										CPTAB
c	Deliver recommendation on Long Range Transportation Plan (AS 44.42.085)	draft	X											CPTAB
d	Deliver recommendation on Alternative Fuels (AS 44.42.095f)	draft	X											CPTAB
e	Produce C&PTAB Performance Measures 2015 (C&PTAB Strategic Plan 2014)	draft	X											CPTAB
f	Deliver Annual Funding Review (AS 44.42.095c)			draft	review		approve	X						CPTAB
g	Deliver Annual Recommendations Report and Strategic Plan (AS 44.42.095a)			draft	review		approve	X						CPTAB
2. Two Alaska municipalities (in addition to Anchorage) seriously consider adopting a taxicab ordinance by June 2015														
a	Continue to review ordinances, enforcement, trainings, vehicle standards	-												Heidi, Lawrence
b	Write draft ordinance		draft											
c	Write report on accessible taxis			draft	approve									
d	Outreach to municipalities					AML Conference	-	-	-	-	-	-	-	
3. A standard methodology for calculating the actual cost of transportation service is generated subsequent to Transit Conference; twelve providers are using the accepted methods of measuring delivery costs by May 2015														
a	Develop proposed methodology and use		draft											Jennifer, Debbi, James,
b	Test/confirm proposed methodology			confirm										
c	Conduct outreach/solicit feedback at Alaska Transit Conference				Trans Conf Feedback									
d	Finalize and prepare methodology for distribution					X								
e	Provide outreach and support to providers					-	-	-	-	-	-	-	-	
f	Cost reports - at least 12 providers											X		
g	Prepare for year 2 to grow use/compare data													
4. Increase coordination practices among regional stakeholders by measureable amounts (see below) on an ongoing basis														
a	Produce an inventory of coordination models (regions fill out, informational source, share on website, show strengths and weaknesses) as an informational tool to inform this practice (on hold)				Trans Conf Feedback									Lawrence
b	Generate and apply a framework to evaluate the level of coordination among regional stakeholders (on hold)						Review Trans Conf Feedback	Draft	Draft	Review	Review	X (deploy)		Sharon
c	Funders require the establishment and support of community/region-specific coordinated transportation task force as prerequisite to receiving any state grants or state funding (reach out to private funders in the future)			IWG		IWG		IWG		IWG	2 new state agency policies		Decrease in funding to non coordinated efforts	Duane
d	By June 2016, two municipalities who have not funded coordinated transportation will contribute to those projects as a result of understanding the benefits of coordination					AML Conference								Pat
e	By June 2016, two municipalities who have contributed to transportation projects will increase that funding as a result of understanding the benefits of coordination					AML Conference								Pat
f	IWG will ratify and implement a Work Plan to support coordination practices on state and local levels (assess transportation definitions, inventory RFP requirements, support coordination policies, develop and integrate shared performance measures)			IWG (work plan)										Duane
g	Agencies will send and CPTAB will review and make recommendations on all state-level policy related to public and community transportation													State Agency Rens
h	By June 2015, updated CPTAB legislation will reflect the requirement for public and community transportation state-level policy to be subject to CPTAB review (on hold)												X	
5. Support CPTAB through effective and targeted information sharing														
e	Generate RFP to select consultant to develop information outreach plan, based on C&PTAB objectives													
f	Complete outline, launch coordinated transportation website (with logo)													
6. Establishing a transportation ombudsmen - consider purpose and value (is this a solution looking for a problem? Is there another way of solving?)														
C&PTAB ADMINISTRATIVE			CONF CALL: JUL 7	CONF CALL: AUG 14	MEETING: SEPT 29; TRANSIT CONF SEPT 30		CONF CALL: NOV 18	CONF CALL: DEC 16	CONF CALL: JAN 22	CONF CALL: FEB 20	MEETING: MAR 3	MEETING OR CONF CALL: APR 29:	CONF CALL: MAY 21	MEETING: JUNE 16

ATTACHMENT B

C&PTAB Recommendations:

Alternative Fuels



This page intentionally left blank.



**Alaska Community and Public Transportation
Advisory Board**

c/o Division of Program Development
Alaska Department of Transportation & Public Facilities
P.O. Box 112500
Juneau AK 99811-2500

July 8, 2014

Governor Sean Parnell
State of Alaska
P.O. Box 110001 Juneau, AK 99811-0001
Juneau, AK 99811-0001

Dear Governor Parnell:

Per the required task of the Alaska Community and Public Transportation Advisory Board (C&PTAB) to “analyze the use of alternative fuels, including compressed natural gas, liquefied natural gas, propane, and biodiesel in the community and public transportation vehicle fleets and make use for the use of alternative fuel vehicles where cost effective” (AS. 44.42.095.f), please accept this report and recommendation.

During 2013-2014, DOT&PF contracted with consultant to produce the Alternative Fuels, Public Fleets Phase I Technical Memo dated May 2014. The purpose of the project was to research, interview stakeholders, and conduct an energy supply analysis of community fleets in five Alaska areas to determine the viability of pursuing alternative fuel fleets in Alaska.

The report (available at <http://www.dot.state.ak.us/stwdplng/cptab/resources.shtml>) found that due to issues of fuel availability, limited fueling infrastructure and high cost of fleet conversion (vehicles, parts, maintenance facilities and training), conditions were not economically conducive in the near term to the use of alternative fuels for transit fleets in any of the communities explored.

The C&PTAB studied this report and discussed it with DOT&PF staff and consultant during their May 5, 2014 meeting in Sitka. Ultimately, C&PTAB concurred with the consultant’s suggestion not to pursue Alternative Fuel fleets at this time. The C&PTAB expressed interest in following the progress of Juneau’s Electric Vehicle Initiative, where matching grant funding will support development of eight electric vehicle charging stations throughout the community.

To that end, the C&PTAB has completed this assignment, noting that should some substantial change occur in the future specific to availability or regulation of fuels, the state may want to take another look at the option.

Should you have further questions about this report, please feel free to contact Eric Taylor, Transit Programs Manager, eric.taylor@alaska.gov, 907-465-8958.

On behalf of the C&PTAB,

A handwritten signature in blue ink, appearing to read "Jeff Ottesen", is written over a circular stamp or seal that is partially obscured.

Jeff Ottesen, Chair
Community and Public Transportation Advisory Board

cc:

Commissioner Patrick Kemp, DOT&PF
State Legislators

ATTACHMENT C

C&PTAB Recommendations:

Long Range Transportation Plan



This page intentionally left blank.



July 8, 2014

Alaska Community and Public Transportation Advisory Board

c/o Division of Program Development
Alaska Department of Transportation & Public Facilities
P.O. Box 112500
Juneau AK 99811-2500

Commissioner
Alaska Department of Transportation & Public Facilities
P.O. Box 112500
Juneau, AK 99811-2500

Dear Commissioner Kemp:

Per the requirement in AS.44.42.085 for Commissioner consultation with the Community and Public Transportation Advisory Board (C&PTAB) in preparation of the Statewide Long Range Transportation Plan (LRTP), the C&PTAB has reviewed draft materials and recommends the LRTP include the following important points related to development and improvement of community and public transportation:

1. The LRTP should acknowledge that community and public transportation is an essential part of Alaska's transportation vision, as the service provides efficient mobility options for all populations to get to and from work, services, shopping, family and more.
2. As LRTP data indicates, the mobility demands of Alaska's growing senior population will be at least four times larger in 2035 than it is in 2010. In light of this trend and the needs of other people with disabilities and special circumstances, the LRTP should emphasize transportation system characteristics and service requirements needed to meet the mobility demands of this growing segment of Alaska's population.
3. To that end, the LRTP should reflect the need to accommodate as much as possible accessibility options on existing or planned transit routes, specifically including safe pullouts for buses, waiting areas, and pedestrian access.
4. Coordination of services and systems across all entities associated with community and public transportation is essential to achieving an effective and efficient system providing the best use of Alaska's collective resources. Consolidation of various transportation supports across state agencies and providers in a given area, with committed investment by local government, should be considered as a strategy to secure the most efficiently organized and administered service, and warrants mentioning in the LRTP.

Given the "siloed" distribution of federal funding streams for transportation services to separate state agencies and the challenges associated with coordinating those funds, the LRTP should recognize coordination and/or the C&PTAB as a key factor in ensuring funding is leveraged and services coordinated in Alaska's future.

On behalf of the C&PTAB,



Jeff Ottesen, Chair
Community and Public Transportation Advisory Board

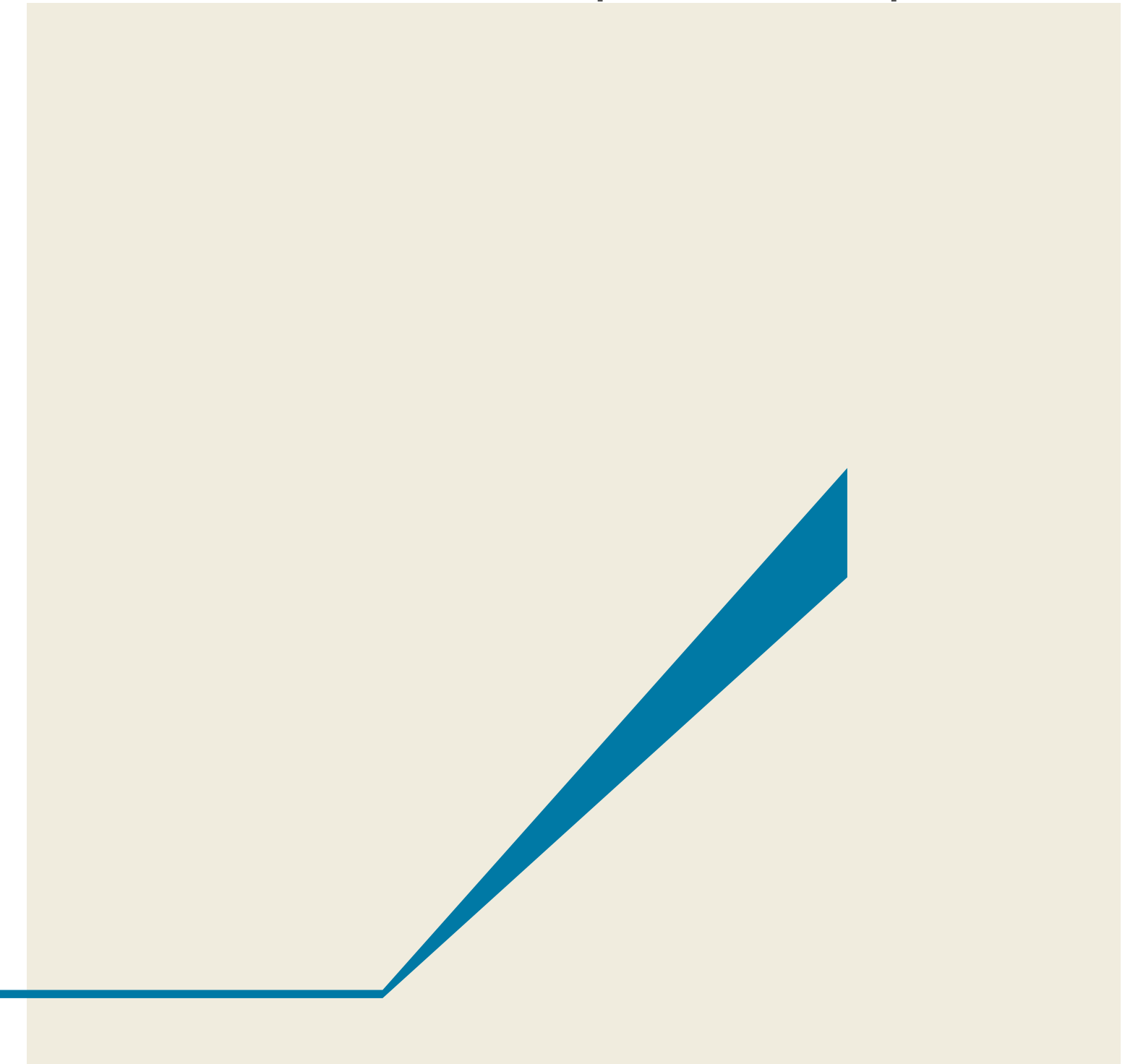
cc:

Governor Sean Parnell
State Legislators

This page intentionally left blank.

ATTACHMENT D

C&PTAB Medical Transportation Report



This page intentionally left blank.

**ALASKA
COMMUNITY AND PUBLIC TRANSPORTATION
ADVISORY BOARD**

**MEDICAL TRANSPORTATION IN ALASKA:
CONSIDERATIONS FOR THE FUTURE –
RECOMMENDATIONS**

C&PTAB Report to:

**DHSS Deputy Commissioner
Health Care Services Transportation Workgroup
Governor Bill Walker
Alaska State Legislature**

December 18, 2014



Table of Contents

Executive Summary	4
Background	6
<i>Physical environment</i>	6
<i>Medical Resources</i>	6
<i>Trends</i>	7
<i>Coordinating Services</i>	7
Purpose	8
Recommendations and Rationale	9
<i>Medicaid Medical vs. Medicaid Waiver Billing Opportunity</i>	9
Recommendation 1	9
<i>Non-Emergency Medical Transportation Brokerage Opportunity</i>	10
Recommendation 2	12
Recommendation 3	12
<i>The Future for Community and Public Transportation</i>	12
Recommendation 4	13
Recommendation 5	13

ALASKA COMMUNITY AND PUBLIC TRANSPORTATION ADVISORY BOARD
MEDICAL TRANSPORTATION IN ALASKA: CONSIDERATIONS FOR THE FUTURE

Executive Summary

The Alaska Community and Public Transportation Advisory Board (C&PTAB) is tasked with “making recommendations for improved agency coordination and combining of services to achieve cost savings in the funding and delivery of community and public transportation services. The board shall assess the community and public transportation needs of Alaskans and recommend means for the removal of barriers that prevent coordination of services to meet those needs” (AK 44.42.095(b)).

To that end, the C&PTAB identified in its strategic plan of 2012 the need to study and address the unique challenges and high cost of medical transportation across Alaska. Through regular public forums the Board consistently heard about the challenges of transportation to special populations across the state, the high cost of transportation given Alaska’s unique terrain and modes to accommodate that geography, and opportunities available through the efforts of the Health Care Services Transportation Work Group and the task of the C&PTAB to study and pursue improved options for Alaska.

Ultimately, the group’s focus narrowed to non-emergency medical transportation. A subcommittee of the C&PTAB studied numerous issues and models used by other states, engaged in discussions with the Health Care Services Transportation Work Group members, solicited information from stakeholders with whom the group met, and generated this recommendation for the state’s consideration as it continues to study transportation options and opportunities.

The C&PTAB recognizes the many moving parts associated with transportation services, and specifically the potential impact of Medicaid Expansion. Consequently, these recommendations are offered for consideration and to help inform the development of the transportation system, assuming the following underlying *principles* are applied to all decision-making:

- 1) Consumers be provided the most appropriate ride for their situation;
- 2) Public transportation be included in the equation as the most cost effective option in most cases; and
- 3) Coordination amongst agencies, programs and services remain a priority to ensure Alaska’s limited public funds are most efficiently and effectively used on behalf of the consumers who need them.

C&PTAB *recommends* the state of Alaska, with DHSS leadership:

1. The C&PTAB *recommends the state explore* revising regulation 7 AAC130.205 subsection (b) 2 related to non-emergency medical transportation and transit and community transportation providers. This regulation requires a transportation provider to bill Medicaid Medical first, even if the passenger is also a Medicaid Waiver recipient. Revised, the regulation could enable the provider to charge the lower Medicaid Waiver rate for the medical trip for the qualified individual.

2. Consider contracting with a broker to manage Alaska's non-emergency medical transportation. Medical transportation is required as part of Medicaid services and each state has the ability to tailor the service provision based on state-specific needs and priorities.
3. Implement the brokerage in a manner that maintains the lowest possible administrative costs by brokering services 'in-house,' potentially through the DOT&PF who would contract with local entities to broker services, specifically including municipal transit agencies in its service delivery.

C&PTAB *recommends* the state of Alaska, via the Governor's Office and the State Legislature:

- 1) Continue to support and potentially increase transit funding through the "State Match Program". Last year the Governor put one million dollars into his budget for this purpose and the budget was approved by the legislature. By supporting community transportation through this funding we are able to draw down more federal transit funding and provide increased accessibility to medical transportation throughout the state.
- 2) C&PTAB recommends the administration also consider the addition of a capital line to the budget to begin to keep the existing fleet in a state of good repair in order to be able to continue to provide existing services. There have been legislative efforts in recent years to develop a dedicated transportation trust fund to help meet on-going needs; we encourage re-consideration of these efforts by the Governor and State Legislature.

ALASKA COMMUNITY AND PUBLIC TRANSPORTATION ADVISORY BOARD
MEDICAL TRANSPORTATION IN ALASKA: CONSIDERATIONS FOR THE FUTURE

Background

Physical environment

Transportation options and needs in the State of Alaska are as varied as its diverse environments, infrastructure and population. Alaska's 570,640 square miles is home to a relatively small population (710,231 US Census figure) with vast distances between population centers. Transportation options are fundamentally characterized as "on the road system" or "off the road system". An "on the road system" features communities with on-road access to multiple communities and regions; an "off the road system" requires additional transportation resources beyond a road to access another community.

Alaska's two largest communities, Anchorage (pop. 298,610) and Fairbanks (pop. 32,312), are located on extensive, well maintained, paved, road systems that are connected to each other, various interior communities, and Canada. The third and fourth largest municipalities in Alaska (City and Borough of Juneau (pop 31,275) and Ketchikan Gateway Borough (pop 13,779) are located in southeast Alaska and are only accessible from outside of their communities by plane or boat. Each features paved road systems within the municipal areas. International airports serve both communities.

Of the top twenty incorporated cities by population, nine are on and eleven are off the road system. The populations of southeast Alaska, with the exception of Haines and Skagway, are isolated from inter- and intra-state transportation and connected road systems; these communities rely on air and the Alaska Marine Highway system or ferry service. Large segments of the state, including some significant population centers (Bethel and Kotzebue for example), are essentially only accessible by air.

Vast distances, limited transportation options, and sometimes very harsh seasonal conditions create real challenges to transportation in the state whether one is on or off the road system. This reality compounds the challenges Alaskans face when transportation is required for medical services.

Medical Resources

Alaska has twenty-three hospitals. Seven are located in Anchorage.

Barrow, Bethel, Dillingham, Kotzebue, Nome, and Sitka are Indian Health Service-funded hospitals and are tribally operated. Forty-four tribal health centers, 160 tribal community health aide clinics, and 5 residential substance abuse centers in the state serve the 228 federally recognized tribes and approximately 143,078 Alaska Native citizens.

Four Medical Centers serve Alaska's military population (in 2009, 24,449 active duty and 33,897 dependents, and 106,534 veterans), located on Joint Base Elmendorf – Richardson Air Force Base, Eielson Air Force Base, Fort Wainwright, and the Alaska VA Health Care System (including the main hospital in Anchorage and three other clinics in Juneau, Kenai, and Wasilla).

Access to specialty medical professionals (surgery, oncology, cardiology, neurology, etc.) is limited even in the most populated areas. This requires Alaskans, in many cases, to travel out of state for medical care, typically by air. This reality compounds our logistical and financial challenges.

Trends

The rapid growth in Alaska's aging population is well documented. In its report of 2012, the CPTAB predecessor group, the Community Transportation Task Force (CTTF), reported the senior population is anticipated to grow from just over 90,000 (2010) to more than 137,500 in 2020 and over 157,800 in 2030.¹ Other populations, people with special needs and veterans specifically, are also increasing in number and need. Often, family members must assist and accompany their family on medical trips. The population trends highlight the need for effective options and additional transportation sources.

With this growth enters the Affordable Care Act in 2009, which originally contained a revision requiring the expansion of income requirements for Medicaid eligibility. The US Supreme Court negated the requirement and made expansion voluntary, and the new administration has announced its intent to pursue the expansion for Alaskan residents. Under the new guidelines, approximately 40,000 Alaskan citizens could potentially become eligible for Medicaid non-emergency medical transportation (NEMT) services.

Coordinating Services

The State of Alaska Medicaid program provides financial assistance for non-emergency medical transportation services under the Medicaid Waiver, including out-of-state medical transportation expenses for qualified individuals. Air travel represents a majority of those expenditures. Recently, efforts have been made by Alaska's Medicaid Program to control increasing air transportation costs by contracting with U.S. Travel to manage the use of air travel for non-emergency medical purposes.

U.S. Travel serves the Medicaid program by seeking the least expensive alternative, purchasing tickets in advance; serving as an intermediary between the State, airlines, and the patient; and ensuring providers meet State standards for safety and customer service. Discussions with State personnel, service providers, and Medicaid service recipients have indicated that this model has reduced costs, increased patient satisfaction, and increased efficiency and effectiveness.

According to the Alaska Department of Health and Social Services "Long-term Forecast of Medicaid Enrollment And Spending in Alaska: *Supplement 2009–2029*," the total nominal Medicaid spending on transportation was \$52.4 million dollars in 2009, and it is projected to be \$72.9 million dollars in 2014. The projections indicate an approximate 5.9% annual increase in Medicaid transportation costs up to year 2029. While the increase is lower than the national average, it still represents significant increases in costs. Such increases warrant thoughtful long range planning and organized management of ground transportation services like that the state secured in its use of U.S. Travel for air transportation.

¹ CTTF Recommendations Report 2012

Federal transportation bills emphasize the need to coordinate the use of federal transit funding with other transportation services and funding, the need for which becomes increasingly important as cost of living and cost of transit services (fuel, equipment, etc.) increase, while the federal gas tax (from which much FTA transit funding is derived), has not increased for more than 25 years.

Many community transportation providers in Alaska receive a substantial portion of their funding from FTA grants that are passed through and administered by the Alaska Department of Transportation and Public Facilities (DOT&PF), or in the case of some grants and grantees (Tribal Transit Funding for example), through a direct federal relationship. To access these grant funds, providers are expected to practice effective coordination.

The DOT&PF has worked diligently with transportation providers to emphasize the coordination requirement. Coordination requires time, effort and leadership in order to establish sound partnerships, maximize community resources, reduce duplication, and provide effective, quality service. Other requirements from other grantors or applicable laws are reflected in the providers' business standards and practices, such as defensive driving training, passenger sensitivity training, drug and alcohol testing, criminal background checks for potential employees, proper property and vehicle maintenance practices, and prescribed procurement procedures. Rigorous requirements to be a Medicaid Waiver service provider, which many community transportation agencies and transit systems in Alaska are, further the reach of existing quality standards and directives in Alaska.

Purpose

The Alaska Community and Public Transportation Advisory Board (C&PTAB) is tasked with “making recommendations for improved agency coordination and combining of services to achieve cost savings in the funding and delivery of community and public transportations services. The board shall assess the community and public transportation needs of Alaskans and recommend means for the removal of barriers that prevent coordination of services to meet those needs” (AK 44.42.095(b)).

To that end, the C&PTAB identified in its strategic plan of 2012 the need to study and address the unique challenges and high cost of medical transportation across Alaska. Through regular public forums the Board consistently heard about the challenges of transportation to special populations across the state, the high cost of transportation given Alaska's unique terrain and modes to accommodate that geography, and opportunities available through the efforts of the Health Care Services Transportation Work Group and the task of the C&PTAB to study and pursue improved options for Alaska.

Ultimately, the group focus narrowed to non-emergency medical transportation. A subcommittee of the C&PTAB studied numerous states models and issues, engaged in discussions with the Health Care Services Transportation Work Group members, solicited information from stakeholders with whom the group met, and generated this

recommendation for the state's consideration as it continues to study transportation options and opportunities.

The C&PTAB has pursued, within the context of its own strategic goal and in cooperation with the Health Care Services Transportation Work Group, to understand the issue, explore opportunities, and generate observations and recommendations for the state's consideration. This report presents the recommendations and rationale resulting from that study.

Recommendations and Rationale

Medicaid Medical vs. Medicaid Waiver Billing Opportunity

One option for leveraging resources and providing for efficiency is possible by considering how transportation costs are billed and paid.

The purpose of the Medicaid Waiver is to support the needs of recipients in their daily life, to help keep them in their community of choice and living independently outside of institutional care. Accessing medical services fits within this purpose. Where an individual has a Medicaid Waiver plan of care that includes transportation units, providers, passengers, and medical facilities find it more efficient to bill rides directly to waiver services given less cumbersome requirements.

Medicaid Medical transportation costs are often higher than those changed to Medicaid Waiver.

In the Mat Su Valley, for example, a Medicaid Waiver trip to Anchorage is a fixed rate of \$27 (higher than normal waiver trips). A Medicaid Medical trip is compensated on a mileage basis and the trip results in a higher compensation for the same trip to Anchorage. To avoid the additional Medicaid Medical requirements, such as securing a doctor's authorization for the trip and potential delays in compensation, a provider may prefer the lower compensated rate of \$27 to the higher mileage-based rate.

The lower rate may, in fact, be more efficient for the provider and will, obviously, reduce state costs. The structure also provides the state the opportunity to reserve those resources for individuals who do not have an alternative funding source.

Recommendation 1

The C&PTAB *recommends the state explore* revising regulation 7 AAC130.205 subsection (b) 2 related to non-emergency medical transportation and transit and community transportation providers. This regulation requires a transportation provider to bill Medicaid Medical first, even if the passenger is also a Medicaid Waiver recipient. Revised, the regulation could enable the provider to charge the lower Medicaid Waiver rate for the medical trip for the qualified individual.

Non-Emergency Medical Transportation Brokerage Opportunity

Medicaid provides for transportation services for its participants; each state has the ability to tailor their provision of those services based on state-specific needs and priorities.

There is nothing simple about medical transportation and non-emergency medical transportation delivery. Already the challenges associated with variations of geography, population density, individual need, population growth, and accessibility of services in Alaska has been established, combined with that of limited resources and the underlying principle to find each individual the most appropriate, efficient ride.

The C&PTAB medical transportation subcommittee built some of its understanding of the issue through a study funded by the DOT&PF, commissioned by the Alaska Mobility Coalition (AMC), and with guidance from the Alaska ambassador from the Community Transportation Association of America. This study, released February 16, 2014, informed the C&PTAB work. Copies are available through AMC. Other references include the Transit Cooperative Research Program's Research Results Digest 109: Impact of the Affordable Care Act on Non-emergency Medical Transportation (NEMT): Assessment fore Transit Agencies (http://www.tcrponline.org/PDFDocuments/tcrp_rrd_109.pdf).

A C&PTAB summary of its review of other state's programs is included as Attachment A.

The C&PTAB also sought to coordinate its study and its recommendation with Alaska's Department of Health and Social Services Division of Medicaid and its Health Care Services Transportation Work Group.

The question the group sought to answer is whether some form of transportation intermediary (or broker) for non-emergency medical transportation would be advantageous to Alaska and the clients it serves.

Summarily, C&PTAB notes

- Brokerages can be statewide (Idaho), or regional (Vermont and Washington).
- Twenty-nine states contract with transportation brokers to manage non-emergency medical transportation in order to control or reduce costs while still working to provide quality of service and appropriateness of service mode.
- Medicaid requires using the most cost effective service that is at the same time appropriate for the Medicaid beneficiaries' physical and medical condition.
- Other states contract with brokers to conduct a number of functions including administration and coordination services, such as scheduling and eligibility screening.
- Brokers may include for-profit and non-profit organizations or public governmental agencies. Brokerages can generally be classified into three categories: in-house mangers, transportation brokerages, and managed-care models.

C&PTAB recognizes Alaska already utilizes a brokerage-like system by contracting with the Xerox Corporation and US Travel to help manage eligibility, logistics, and payment for services respective to air transportation, and state staff indicate this has been a successful undertaking.

Based on its study, the C&PTAB presents the following advantages and disadvantages for a brokerage system:

□ Advantages

The principle advantages states report respective to contracted brokered services is cost containment/savings and relieving themselves from the direct responsibility. Many states, especially during difficult financial times, have great political pressures placed on them to manage administrative costs. Contracting with a broker to handle most aspects of medical transportation and at the same time hold steady or cut costs is appealing. By having an entity(s) provide the functions of call center, eligibility determination, coordinator of different service provisions (human service, public transit, for hire livery, etc.), the state is released from this direct responsibility. Ideally, the approach consolidates and simplifies service delivery.

□ Disadvantages

Evidence suggests that in some cases passenger satisfaction suffers in the effort for brokers to provide the least expensive mode for a trip. There is also concern about the impact of brokerages on existing community and public transportation systems. Earlier in this report we talked of the coordination efforts of transportation providers throughout the state as a result of FTA funding requirements as administered by the DOT&PF. In order to receive FTA funding, grantees must meet rigorous FTA standards for safety and accountability. These standards help create the framework for community and public transportation now and the future. A broker whose main mission is cost control may choose to use private livery that has few of these safety and service standards. Public services could suffer should that practice result in the potential loss of FTA funding. This is one of a number of dynamics being explored by a Transit Research Board report being developed by Texas A&M: TCRP B-44 [Active] Examining the Effects of Separate Non-Emergency Medical Transportation (NEMT) Brokerages on Transportation Coordination For more information, C&PTAB recommends the Transit Cooperative Research Program's Research Results Digest 109: Impact of the Affordable Care Act on Non-emergency Medical Transportation (NEMT): Assessment fore Transit Agencies (http://www.tcrponline.org/PDFDocuments/tcrp_rrd_109.pdf).

It is worth noting the objective of this report is to present and evaluate options for providing NEMT on: (1) access to Medicaid services; (2) human services transportation (in particular, coordinated transportation services); and (3) public transit services, including ADA

complementary paratransit services. The report is scheduled for release in July 2015.

The C&PTAB maintains any solutions offered to manage costs while maintaining quality service should include existing coordinated transit systems in the management and provision of non-emergency medical transportation in Alaska. Care should be taken to ensure that any system selected or built does not weaken existing structures already integral to the community infrastructure.

Recommendation 2

The C&PTAB *recommends the state of Alaska consider* contracting with a broker, potentially through the DOT&PF, to manage Alaska's non-emergency medical transportation. In the design of that brokerage, C&PTAB recommends the model reflect three key principles:

- 1) Consumers are provided the most appropriate ride for their situation.
- 2) Public transportation is included in the equation as the most cost effective option in most cases.
- 3) Coordination amongst agencies, programs and services remain a priority to ensure Alaska's limited public funds are most efficiently and effectively used on behalf of the consumers who need them.

Recommendation 3

C&PTAB recommends the structure be implemented in a manner that maintains the lowest possible administrative costs by brokering services 'in-house,' potentially through the DOT&PF who would contract with local entities to broker services, specifically including municipal and other transit providers in its service delivery.

The Future for Community and Public Transportation

Community and public transportation in Alaska are critically important for the quality of life for all Alaskans, and particularly the elderly, people with disabilities, those who are economically challenged, business owners, and those who want to economize resources and protect the environment.

Community and public transportation providers generally get their funding from multiple funding sources (FTA sections 5311, 5309 and 5339, Older Americans Act Title III and VI, Home and Community Based Waivers (Medicaid), fares, grants, and local funding). Providers are typically integral to the communities they serve. Provider personnel are locals with local knowledge and respect for their diverse populations.

DOT&PF has worked closely with these entities for years and has been an excellent partner in the development of systems and practices that have gained national recognition. This work and development should be the foundation for transportation funding in the future. The infrastructure for accountability, coordination, cost containment, safe practices, new technologies and training are in place. Prudent solutions to transportation issues must integrate existing Alaska resources and services.

To that end, C&PTAB recommends the following for the Governor and State Legislature's consideration:

Recommendation 4

C&PTAB recommends the administration continue to support and potentially increase transit funding through the "State Match Program". By supporting community transportation through this funding we are able to draw down more federal transit funding and provide increased accessibility to medical transportation throughout the state.

According to Alaska DOT officials capital funding monies from the Federal Transit Administration (FTA) are inadequate to meet the needs of the state. In order to keep the Alaska fleet of transit vehicles in a state of good repair, delivering safe and reliable transit service throughout the state, it is estimated that Transit systems statewide will need an estimated \$41,035,000 between now and 2019 to replace aging vehicles. This does not include facilities, equipment or expansion vehicles. FTA currently provides \$1.9 million annually in capital formula funding for the entire state of Alaska. The difference in anticipated need versus available resources points out the need for greater state support for transportation assets and infrastructure.

Recommendation 5

C&PTAB recommends the administration also consider the addition of a capital line to the budget to begin to keep the existing fleet in a state of good repair. There have been legislative efforts in recent years to develop a dedicated transportation trust fund to help meet on-going needs; we encourage re-consideration of these efforts by the Governor and State Legislature.

Attachment A: C&PTAB Review of state brokerage arrangements

Oregon

The State of Oregon and the municipality of Portland specifically are considered trendsetters in the realms of transportation and urban planning and their approach for dealing with the provision of NEMT. In much of this largely rural state, NEMT is administered by the local offices of the “Office of Medical Assistance Programs” and uses the same “fee for service” reimbursement used in Alaska. However Portland, Oregon’s largest population center, uses its public transit agency as a regional brokerage. Using a fixed-price intergovernmental agreement with the state Office of Medical Assistance Programs the transit agency, Tri Met, is responsible for making sure that all eligible Medicaid beneficiaries have access to medical services. Because Tri Met is the provider of fixed-route bus and light rail services, it is able to hold costs down significantly by moving NEMT trips to their more cost effective fixed-route buses and light rail as appropriate. This works to both minimize confusion and simplify service delivery while maintaining the standards of service required by an FTA funded entity.

This model could be applied in Anchorage if the State contracted with Anchorage’s “People Mover.” The infrastructure is largely in place to make this happen and it should work to lessen the complications and overhead inherent where many providers exist. With twenty-eight registered NEMT providers, the vast majority of NEMT ground transportation trips take place in the Anchorage area.

Washington

Like Oregon, Washington State features attributes that translate fairly well to Alaska. It is a largely rural state with varied topographies and climates, and features large distances between population centers. Medicaid transportation is provided and coordinated through thirteen regional brokers. Brokers include planning agencies, human service agencies, and transportation providers. By using local transit providers to operate as brokers, systems are built on existing structures and services with existing local knowledge and experience. Brokers coordinate varied transportation needs; equipment, training and quality assurance derived from the state and federal funding that have sustained them to this point. Like Oregon, the payment model for brokers includes an agreed upon flat per trip reimbursement rate which includes an administrative rate of approximately thirteen percent as opposed to the “capitated contracts” that some other states use. “Capitated reimbursement methods,” while a popular practice with for-profit brokers, has built into it a propensity for brokers to book only the least expensive service option possible. This practice sometimes maximizes profit at the expense of quality, appropriateness of mode, and safety. State of Washington officials indicate support for their system that has significantly controlled costs while maintaining a high quality of service and passenger satisfaction.

Vermont:

Like Oregon and Washington, Vermont uses a series of regional brokers that include government, transportation providers, and in this case the state transit association (Vermont Public Transportation Association). The Transportation Association

coordinates the statewide system providing management and fiscal support for the nine brokers while the brokers are responsible for determining eligibility, screening ride requests, and connecting passengers with the most appropriate service that meets the Medicaid mandate of cost effectiveness. Vermont brokers receive an administrative fee for all trips booked and if they are also the provider of choice receive reimbursement for actual ride cost. This system has worked very well for Vermont both for cost control and supporting existing transit infrastructures. Using this system, forty percent of all trips are taken on public transit while an additional thirty percent of rides are provided through community transportation agencies. Vermont has met cost containment goals while maintaining its quality of service and all through local solutions.

Idaho:

Idaho is a much smaller state geographically, but much of the state is rural. They have been in the forefront in coordinated transit development. Idaho uses one statewide broker for medical transportation. The state contracted with “American Medical Response” (AMR) in 2010 and reports significant cost saving and passenger satisfaction with this contractor. C&PTAB research indicates a former statewide contract was less than successful in part because quality of service and appropriateness of mode took a back seat to cost savings. The current contract seems to have so far avoided these pitfalls.

AMR has a well-developed system of outreach to Idaho citizens including a well designed website, publications, and community education. They appear to have a good working relationship with the State of Idaho and transportation providers as well. It would be worthwhile for the State of Alaska to examine their practices more closely.

XXX

ATTACHMENT E

C&PTAB White Paper:

Accessible Taxicabs



This page intentionally left blank.

**Moving our People, Stimulating our Economy:
Accessible Taxis in Alaska—A C&PTAB White Paper
Revised: December 8, 2014**

Private vehicles, transit buses, vans, trains, airplanes, taxis, cruise ships, boats—all are a piece of the mobility infrastructure that helps people get where they need to be—to live their lives, purchase their goods, and access desired and needed services. For many, mobility and transportation is a given—we walk out with the keys to our car, drive to the airport, rent a car and go about our business. For others of us—our parents, our neighbors with disabilities, our friends without similar means, our citizens traveling from remote locations for medical services—mobility isn't as simple. One important tool in the mix of mobility options is accessible taxicabs.

Why do we need to ensure that accessible taxis are on the streets of Alaska's cities?

- Approximately 11 percent of our total population¹ are Alaskans with disabilities.
- Approximately 8 percent of our population are seniors², who are also the fastest growing population and whose numbers will double in Alaska within 30 years.
- Of our seniors, approximately 41 percent report having a disability³.
- Support tourism in Alaska and the prevalence of the aging population who travel here.

Estimates report the disabled population has upwards of \$175 billion dollars in disposable income nationally, and more than 75 percent of people with disabilities eat out at restaurants at least once a week. AARP reports people age 50 and older spent nearly \$400 billion in 2013. At age 50, adults are likely to experience age-related physical changes that may affect hearing, vision, cognition and mobility. While they may not think of themselves as having disabilities, people in this age group often seek out businesses that accommodate those changes by offering better access, lighting, less ambient noise and fewer stairs. The New York Times reports that spending by travelers with disabilities exceeds \$13.6 billion annually. Among the most effective and flexible tools to support these populations are accessible taxicabs.⁴

Like many other accessible tools, such as curb cuts and text messages, accessible taxis make life easier, save time, and increase access. Accessible taxis, typically small SUV-type vehicles modified with a ramp, give the riding public an option between a standard sedan and a mini-van. It provides persons with disabilities, parents with strollers, and seniors who chose to not drive the opportunity to access shops, healthcare, employment, recreation, social, and spiritual outlets without having to disassemble and reassemble equipment. It offers greater flexibility than public transportation or paratransit, which are restricted by hours of operation, time schedules, and routes. Like other accessible tools, accessible taxis are useful to the entire community, disabled or not, depending on individual preferences, circumstances, and opportunities.

¹ (Table 1.3 Civilians living in the community, 2014)

² (Hunsinger, 2012)

³ (Selected Social Characteristics in Alaska, 2008-2012)

⁴ (Customers with Disabilities Mean Business, 2006)

There are a number of strategies states have used to integrate accessible taxicabs into the pool of mobility options. Doing so is not without its challenges, among them:

- Cost - providing accessible taxis can be expensive, due to the vehicle modifications and/or added equipment.
- Training – for dispatchers and drivers
- Awareness – unless one has a direct connection or relationship with the consumers who have unique transportation needs, many can believe that the need does not exist and not find the need compelling
- Leadership – in some cases municipal leaders assume some responsibility for the transportation needs in their communities and support the pursuit of transit options; in others it is community and human service transportation providers only who assume that responsibility, but remain independent on local support and match to help fill that gap. While many providers excel in providing the breadth of service needs, local support is imperative to sustaining, let alone building, such an infrastructure.

For over two years the C&PTAB has been studying barriers to coordination and access to services, hearing from providers, advocates, stakeholders, consumers and others in communities throughout Alaska and annually at the Alaska Community Transit Conference. For four years prior to that its predecessor group – the Governor’s Coordinated Transportation Task Force (CTTF) – practiced the same outreach. From the first CTTF report in 2010 to the present day, accessible taxicab resources have been an identified barrier, need and to effective coordinated community and public transportation.

The CTTF Recommendations Report of February 2010 specific identifies Taxi Accessibility as a barrier to effective transportation:

“Taxis appear to be an obvious choice to provide individual and incidental transportation services to people with special needs, but cost and accessibility is frequently an issue. Finding a way to make effective and accessible taxi service available would be a helpful solution for many Alaskans” (page 16.)

The Report goes on to recommend the state “develop a minimum taxicab standard for state-owned facilities such as airports and ferries to ensure those with disabilities are not overlooked.” The Report explains

“State owned ferry or airport terminals area major destination for taxi businesses. To ensure those with disabilities are not overlooked, generate accessibility standards or regulations for taxicab businesses service state-owned facilities, which includes a provision for permitted use of designated pickup and drop off zones. Alternate strategies include a recommendation for local government taxi codes that establish minimum capacity for accessible taxicabs and establish a basic standard in state law” (page 23).

In February 2012, the CTTF Final Report provided a needs assessment quantifying the need for additional types of service and resources, specifically identifying accessible taxis as a resource to help meet existing and growing need.

Other research, in Europe and in the United States, explores the challenge and opportunities. The International Road Transport Union produced the Economic Aspects of Taxi Accessibility for the European Conference of Ministers of Transport in 2001⁵ and in 2007 a follow-up report on “Improving Access to Taxis.”⁶ The work focused on the study of European countries, where public transportation is evolved more than anywhere in the world. The 2001 report concludes:

- It is very important that all vehicles can provide easy access for the very large and growing number of people who are frail, elderly or have difficulty walking;
- There is no one universal solution to design and technical issues;
- Taxi operators should not be put at a competitive disadvantage by a requirement to provide accessible taxis, either in terms of a higher purchase price for taxis or in a different exterior appearance;
- The use of information technology can increase the quality and cost-effectiveness of taxi booking and dispatch systems, particularly where the service to people with mobility handicaps is integrated within general taxi operations;
- In areas where a significant proportion of taxi use is through on-street hailing or where standardised [sic] vehicle fleets are required, there is a strong case for all taxis to be capable of carrying a person in a wheelchair;
- In areas where taxi hire is predominantly by means of telephone booking or at taxi ranks, the needs of wheelchair users may be met by a proportion of the taxi fleet (to be determined in the light of local circumstances);
- The long term objective should be to achieve fully satisfactory access for people who use ISO wheelchairs;
- In both the short and long term, design features such as swivel seats, adequate door apertures, handholds, colour [sic] contrasts, etc. make an important contribution to improving access for all users.

In March 2010, the Center for Transportation Studies published Assessing the Full Cost of Implementing an Accessible Taxicab Program on behalf of the Taxicab, Limousine & Paratransit Foundation. The report summarizes the activities of a number of states, and articulates costs, challenges, legal constraints and implementation strategies. It also provides an Accessible Taxicab cost calculator.⁷

Even with all the challenges, the report identifies a number of options for providing for accessible taxicabs. Integration in full service taxi companies the report concludes is the best option. With the thorough integration of wheelchair accessible taxicabs in full service taxi companies with the ability to dispatch, track and bill trips taken by subsidized or public provided users, the integrated services could eventually become the norm.

“Utilizing privately accessible taxicabs for passengers capable of using curb-to-curb wheelchair accessible vehicles – both those in wheelchairs and those incapable of walking to the nearest transit stop, will greatly lessen the financial

⁵ <http://www.internationaltransportforum.org/IntOrg/ecmt/pubpdf/01TaxiAccess.pdf>

⁶ <http://www.internationaltransportforum.org/pub/pdf/07TaxisE.pdf>

⁷ <https://tla.org/costcalculator/report.pdf>

burden upon public transit systems. In some communities, the cost difference between the publicly provided service and the full cost of the integrated accessible taxicab is \$20 per trip. The user benefits greatly by being able to call for a taxi just as any other individual would. The user would be picked up by a private taxi, rather than a large public transit vehicle. The community gains accessible taxicabs within their overall taxi service fleet that may be utilized for non-subsidized wheelchair accessible trips. As the market grows and if the publicly-provided or other subsidized trips are turned over to the privately provided taxi operations, we would expect the presence of wheelchair accessible taxicabs to become much more prevalent” (p. 46).

As city governments recognize the importance of accessible taxis, more and more are requiring cab companies to include accessible taxis in their fleets. New York City, Seattle, San Francisco, Houston, and many other cities have found ways to introduce accessible taxis on city streets. Each city tackled the introduction in different ways but also with some similarities. The purpose, to provide efficient rides for those who want and need them, remains the same.

In April 2012, thirteen new accessible taxis were introduced to Rhode Island, greatly improving access to transportation for the mobility impaired. Local taxi companies purchased these vehicles, with support from the Federal Transit Administration. The taxis will serve seventeen communities in Rhode Island.

The C&PTAB continues to hear about the need for accessible taxicab service in Alaska, and pursues the issue in earnest. In 2014, the C&PTAB established a Performance Measure to have “two Alaska municipalities (in addition to Anchorage) seriously consider adopting a taxicab ordinance by June 2015.” C&PTAB folds into its study the recent adoption of Chapter 11.10 Municipal Code in the City of Anchorage, where some attempt is made to address the issue of training for staff and taxicab accessibility for persons with disabilities and others need to use the service. It is also continues to watch the development of Uber services in Anchorage, and anticipates the results of a study underway by the Municipality of Uber’s impact on mobility for residents.

This white paper identifies options for communities and providers to explore and pursue the resource in a way that is meaningful to users and effective for providers and sponsors.

Options

At this point in time, five options have been articulated for generating accessible taxicab service in Alaskan communities. As the discussion continues, it is possible more options and/or variations of options are developed.

Leverage Local Partnerships among non-profits, taxi companies, local governments:

A non-profit agency located in Juneau, Southeast Alaska Independent Living (SAIL), has partnered with a local taxi company to find a solution that allows for the taxi company to provide accessible taxi service for Juneau residents. As a non-profit human services agency, SAIL

applies for and receives FTA Section 5310 funding that is designated for the enhanced mobility of seniors and individuals with disabilities. SAIL uses this funding to purchase accessible vehicles, which it then leases to a local taxi company. As part of the lease agreement with SAIL, the taxi company pays for a portion of the local match required for the federal grant and agrees to operate the accessible vehicles as needed on a 24 hour 7 days a week basis. This partnership allows seniors and individuals with disabilities unrestricted access to transportation. The partnership has successfully operated for several years. Similarly, local governments can partner with non-profits that would like to establish similar projects in other communities by providing a portion, or the full 20%, required match for the FTA Section 5310 funding.

SAIL has been funded for a similar project in Ketchikan.

By leveraging existing resources, providing match, and using the right venue to provide the right service, communities can increase the availability of accessible services. For best results, a sustainable match source (local governments ideal) is needed. Exploring opportunities available through FTA Section 5310 funding may open the door to unconsidered possibilities.

Retain X percent of 5310 rural transit funding and dedicate to accessible taxi-cab purchases

To incentivize such partnerships in the pursuit of accessible taxicabs, another option is for the DOT&PF to retain a certain percentage of 5310 rural transit funding and dedicate that to an applicant's purchase of accessible taxicabs. Again, coordination in the service area with local stakeholders and partners and an appropriate match source is integral to the purchase.

Establish local transportation advisory boards

Local transportation advisory boards are a locally effective way to study, understand and pursue the most effective transportation options in a community or service area. There, issues regarding accessibility and other local dynamics can be studied and solutions developed and proposed in a specifically local context.

Develop local ordinances requiring accessible taxicabs

Many Cities throughout the country and Anchorage specifically have developed taxicab ordinances with minimum accessibility requirements. Such ordinances are an effective way to ensure municipalities ensure the services and standards they seek for their community are available and of appropriate quality. Many such ordinances exist, most embedded in codes with purposes that far exceed that of accessible taxicabs only. Examples accompany this white paper.

Develop a minimum taxicab standard for state-owned facilities such as airports and ferries.

Per the CTTF Recommendations Report of 2010, these major destinations for taxicab businesses are state owned and provide a direct opportunity to impact accessible resources. Accessibility standards or regulations for taxicab businesses at state-owned facilities can include a provision for permitted use of designated pickup and drop off zones.

The state can provide leadership in ensuring accessibility at its facilities by establishing such a standard in state law.

Considerations

Regardless of how accessible taxis are introduced into the city, at some point, city government has to get involved to ensure the safety of the riding public.

Ordinances help delineate what modifications must be made to consider a vehicle accessible. To ensure the modifications meet standards, cities often include specific language out of the Americans with Disabilities Act and/or the 2010 Standards of Design manual to outline what will be allowed or disallowed. If the cab company does not comply, then they do not receive the incentives. Some cities will fine companies for being out of compliance.

Cities also use positive reinforcement to increase the time accessible vehicles are on the street, with most cities mandating that the accessible vehicles run 24/7/365. Also, the ordinances can mandate that the accessible vehicle is the first one on the road (in other words, the driver must select the accessible or the non-accessible vehicle until the number of accessible vehicles are on the road). But, with this requirement comes incentives that can include monetary bonuses, reduction in fees, and/or priority placement in high traffic areas (such as the airport).

Next Steps

People with disabilities, their families and friends, visitors to and residents in the community, service agencies are all impacted by the limited transportation options for people with disabilities. With accessible transportation available, people with disabilities can engage in more activities. By pursuing innovative options and enacting local ordinances, the city and businesses are more readily able to comply with the Americans with Disabilities Act (both the spirit and the letter of the law).